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The
Manufacturers
Life
Insurance
Company
84th
Annual
Report
1970



MANUFACTURERS LIFE

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Life
Insurance
Company
84th
Annual
Report
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Presented
At The
Annual Meeting
At The
Head Office
Of The Company
On Thursday,
January 21, 1971
Toronto, Canada

BOARD OF DIRECTORS

G. L. HOLMES
Chairman of the Board

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President

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Nesbitt, Thomson and Company Limited
Montreal

G. WILLIAMS
President and General Manager
The Procter & Gamble Company of Canada
Limited

EXECUTIVE OFFICERS

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President

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Chairman of the Board

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Senior Vice-President

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Vice-President

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Administrative Vice-President
Policyowner Relations

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Financial Vice-President

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Financial Vice-President

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Agency Vice-President

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Agency Vice-President

L. M. DAVISON
Secretary

HIGHLIGHTS OF 1970 *with comparative figures*

(000's omitted)	1970	1969	1968	1967	1966
New Business	\$1,266,500	\$1,152,323	\$1,055,829	\$1,021,310	\$1,012,408
Business in Force	9,253,033	8,470,226	7,776,460	7,080,210	6,387,225
Assets	2,036,223	1,912,507	1,834,934	1,725,862	1,609,478
Income	349,152	329,190	311,530	288,510	270,310
Payments to Policyholders and Beneficiaries	153,826	149,238	134,432	124,371	108,908
Provision for Dividends to Policyholders	25,608	23,561	21,766	18,494	17,039
Contingency Reserve	27,500	27,500	27,500	25,000	25,000
Surplus	136,232	125,730	124,124	112,820	102,178
Net Interest Rate	6.40%	6.21%	6.21%	6.08%	5.96%



G. L. HOLMES
Chairman of the Board

A. T. SEEDHOUSE
President

E. S. JACKSON
Executive Vice-President

THE PRESIDENT'S REMARKS

Eighty-four years of doing business is a record in which we all share considerable pride and it has allowed time for the creation of a noteworthy tradition of service.

Before commenting on some aspects of the Annual Report I would like to refer to the appointment of Mr. E. S. Jackson as Executive Vice-President and to the Board of Directors. Mr. Jackson has spent his entire business life with the Company. He was Actuarial Vice-President until he assumed wider responsibilities as Senior Vice-President and has played a prominent part in the recent corporate reorganization.

For the fifth consecutive year our Field Force has escalated the New Business over the billion dollar mark. In this year to one billion, 266 million — a new record. This figure does not

include the substantial sales of annuity products. Our Business in Force is over 9¼ billion dollars and if I were tempted to make a prediction, it would be that we will pass the 10 billion dollars in force in the year we have just entered. I was particularly pleased to see that 106 members of our Field Force were over the million dollar mark and that these "millionaires" were well distributed throughout our world-wide operation. The fact that 55 of our branches established new production records in 1970 is an indication of the vitality of our sales organization and a tribute to our Branch Managers and their associates.

This year's personal and branch records will stand for all time, for in 1971 we go on a new basis of measuring sales efforts. Like the new decimal currency in Great Britain, it will take a bit of getting used to. However, we believe

it is a more accurate measure of the value of your results and will reflect more directly the relative profitability of the business produced.

Reference was made one year ago to the sale of our first variable annuity policies in Canada. I am happy to tell you that the subsequent acceptance of this new vehicle, both by our clients and our agency force, has been highly gratifying and has generated a substantial volume of additional premium income. Our second-generation equity product will be available in Canada early this year in the form of a combination life insurance and equity savings plan. We think that this too will be well received and we have been encouraged in this thought, not only by our early success in Canada but also by similarly satisfactory results in equity product sales in Great Britain and South Africa.

In the United States, where the regulatory element covering equity products is vastly more complex than it is elsewhere, very satisfactory progress was achieved during 1970. A subsidiary investment management company and an affiliated broker-dealer have each been set up and staffed and a substantial number of our Field Force and Head Office employees have passed certain required examinations. Our sales representatives may now offer a cluster of outside mutual funds and an outside variable annuity and we have also set in motion the lengthy procedure for the registration of a mutual fund of our own. I am confident that the energy and expertise that is being put to work in this area will show good results in the year ahead.

Toward the close of the year the Assets reached 2 billion and at the close were 2 billion and thirty-six million dollars. It was in 1961 that we became a billion dollar company. I know that size does not necessarily make us a good company but I confess that this growth made me feel good. The markets for securities during the twelve months were very erratic and volatile. The Toronto Stock Exchange industrial index declined 26% followed by a recovery of 23%. The Dow Jones Index declined

21% and then gained 33%. Bonds in Canada held at high rates of interest until toward the end when, as an example of the change, a typical Canada bond rose 9 points. Bonds in the United States remained weak until mid-year and since then there has been a dramatic turnaround. To illustrate, new issues of long term telephone bonds came to the market last January to yield 8.70%, in June at 9.35% and in December at 7.85%.

I reported to you a year ago that we had an excess of book value over actual market value. The same situation remained at December 31st but the excess is substantially reduced and is relatively nominal.

Largely because of the improvement in market value of securities it was possible to make a more satisfactory addition to surplus than was the case a year ago. However, the problem of rapidly rising expenses persists, policy loans continue to increase although at a somewhat slower rate. Mortality experience was more favourable than has been the case the last two years.

Economic problems continue to plague North America. Inflation or unemployment are alternately the villains. Perhaps there is a lesson in the 1969-70 experience. There was great economic restraint — interest rates rose dramatically — the stock market suffered a deep decline — unemployment rose to intolerable levels — yet the abatement of price inflation has been very modest. Perhaps we are going to have to live with more volatile markets as the authorities try to manage the economy so that neither inflation nor unemployment become intolerable. It seems certain that monetary stimulation will continue for sometime in an attempt to correct unemployment and poor business.

I know that very few of you need to be told that the central effort of 1970 involved a careful study of our corporate organization — how it looked and how it should look in the future if we are to take advantage of the opportunities open to us in this new decade and beyond.

The challenge that faced us was that of our past and future growth. To cope with it we needed to create a more flexible structure to take account of our own size and of the continual flux of the world about us. We therefore decided to restructure our corporate organization on a geographic basis, providing each division with the manpower and other resources needed to achieve its objectives.

We are confident that the very major reorganization that this vital change implies will allow us to quicken our reaction time in all of the territories where we operate. Lines of responsibility and accountability will be clarified and shortened so that we will be in a position to react more quickly to market changes and, hopefully, to provide a real measure of market leadership.

We shall be working toward this major goal during the next two or three years, or for as

long as is needed for its attainment. This is no quick process and no magic can make it so. But each of us now has an objective which is worthy of his or her best efforts.

Reorganization is sometimes unsettling from an individual's standpoint. I am conscious of this and appreciate the patience and understanding which our people have shown in recent months. The energy which they have applied to their responsibilities and the loyalty they have demonstrated to the Company are greatly appreciated by the Board of Directors. The reward will be our Company's ability to look to the future with continued confidence, its leadership role secure.

At a red house

The President's Remarks at the 84th Annual Meeting recorded above include reference to the project of restructuring which was the central effort of 1970. On the facing page is the Charter and Statement of Purpose for the Company that was prepared in the process.

CHARTER AND STATEMENT OF COMPANY AIMS AND PURPOSE

The Manufacturers Life Insurance Company, in representing its participating policy-owners, dedicates itself to the effective use of its organizational resources to design, market and administer those products and services for financial planning and protection that will meet the needs, expectations and aspirations of its customers at the lowest possible cost consistent with high quality standards.

The aims of the Company in serving the public provide a commitment:

- to seek out and respond to the requirements of its customers by marketing those products and services which provide financial planning and protection for individuals, families, groups and businesses;

- to develop and market products and services meeting high quality standards through well trained people striving continuously for excellence and to do this as economically as possible;

- to invest the funds entrusted by its customers to provide optimal return consistent with sound investment policy and legal requirements;

- to grow through continuing improvement of kinds and quality of products and services for present and potential customers and through increasing its number of customers;

- to serve in those territories deemed feasible subject to suitable marketing, legislative and environmental conditions;

- to be a good corporate citizen in all its actions and activities, while recognizing its responsibilities to its policyowners;

and to meet these aims the Company dedicates itself to provide:

- maximum return to participating policyowners through the sound design and effective administration of all products and services with an assurance of optimal value for all costs incurred;

- an organization responsive to the changing needs and desires of its markets;

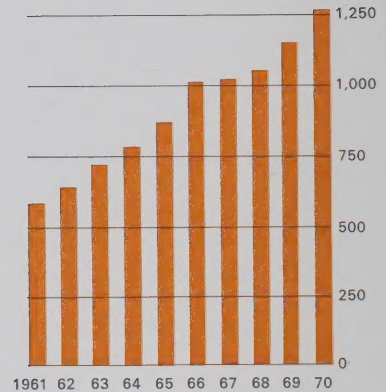
- opportunity for personal growth of those associated with the Company by providing a challenging environment in which personal objectives can be identified with Company objectives, and in which rewards are commensurate with performance;

- a management committed to the effective use of all Company resources to realize the results inherent in this Charter.

This Charter establishes the criteria against which all objectives and planning of the Manufacturers Life Insurance Company will be formulated and tested.

NEW BUSINESS

millions of dollars



THE EIGHTY-FOURTH ANNUAL REPORT

The Directors have pleasure in presenting their Eighty-fourth Annual Report, together with the Financial Statement, for the year ended December 31, 1970, and the Report thereon received from the Auditors.

New Business and Business in Force

In spite of generally unfavourable economic conditions, new records were again established in 1970. The amount of New Business for the year was \$1,266,550,000, being \$114,177,000, or 10%, in excess of that for 1969. Increases in the amount of New Business occurred both in Individual Life Policies and in Group Life, as follows:—

	1970	1969	% Increase
Individual Life Policies . .	\$905,737,000	\$829,535,000	9%
Group Life	306,763,000	322,788,000	12%

The Business in Force was increased by \$782,807,000 to a total of \$9,253,033,000.

Income

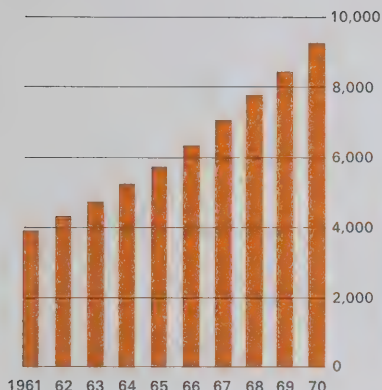
Total Income during the year was \$349,152,000. Premium Income amounted to \$218,500,000, Net Investment Income to \$120,962,000, and all other income to \$9,690,000.

Payments Under Policy Contracts

Payments on existing, matured and surrendered policies, etc. were \$109,161,000, including

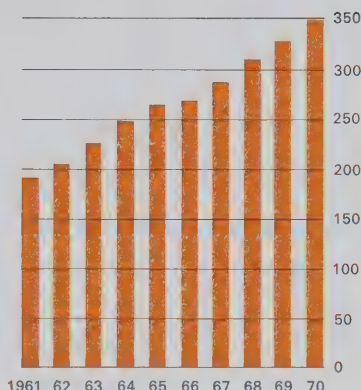
BUSINESS IN FORCE

millions of dollars



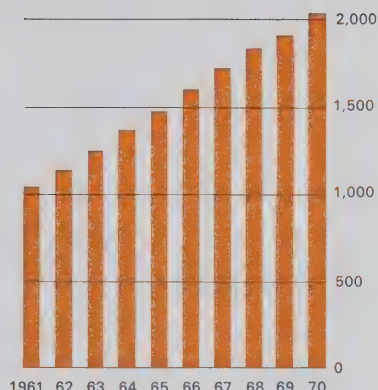
INCOME

millions of dollars



ASSETS

millions of dollars



\$22,700,000 in dividends to participating policyholders. Death Claims amounted to \$44,665,000. The rate of mortality, which had shown an increase in 1968 and 1969, returned to the level of preceding years.

Assets

The Assets of the Company amount to \$2,036,223,000, an increase of \$123,716,000. The net rate of interest earned was 6.40%, which was almost 0.2% more than the rate of 6.21% shown in 1968 and 1969.

Reserves, Liabilities and Surplus

Insurance and Annuity Reserves amount to \$1,642,509,000 and the Provision for Divi-

dends to Policyholders to \$25,608,000. After providing for these and all other liabilities, the Contingency Reserve remains at \$27,500,000 and the Surplus amounts to \$136,232,000.

During the year, Mr. E. S. Jackson, Executive Vice-President, was appointed to the Board of Directors. Mr. A. J. Hettinger, Jr., who has been a member of the Board since 1955, retires from the Board, having reached the Company's retirement age for Directors.

The record results of the past year would not have been possible without the hard work and capable service of the Company's Managers, Representatives and Head Office and Branch Office Staffs. To all of them, the Directors extend warm appreciation.

All of which is respectfully submitted.

G. L. HOLMES
Chairman of the Board

A. T. SEEDHOUSE
President

Toronto,
January 21, 1971.

We have examined the balance sheet of The Manufacturers Life Insurance Company as at December 31, 1970 and the income account for the year then ended. Our examination included a general review of accounting records and other supporting evidence as we considered necessary in the circumstances; insurance and annuity reserves and other actuarial liabilities were determined and certified by the Company's actuary.

In our opinion, based on our examination and the certificate of the Company's actuary, these financial statements present fairly the financial position of the Company as at December 31, 1970 and the results of its operations for the year then ended.

Clarkson, Gordon & Co.

Chartered Accountants.

Toronto, Canada,
January 15, 1971.

INCOME ACCOUNT *for the year ended December 31, 1970*

Income	1970	1969
Insurance and Annuity Premiums	\$218,500,000	\$209,460,000
Investment Income less Investment Expense (Note)	120,962,000	111,291,000
Other Receipts	9,690,000	7,148,000
Net Gain on Revaluation of Sterling and certain other currencies .	—	2,048,000
	<u>\$349,152,000</u>	<u>\$329,947,000</u>
 Disposition of Income		
Death Claims	\$ 44,665,000	\$ 46,336,000
Annuities, Surrender Values, Matured Policies, etc.	86,461,000	81,879,000
Dividends to Policyholders	22,700,000	21,023,000
Additions to Policy Funds to provide for future payments to Policyholders and Beneficiaries	94,410,000	84,591,000
Payments under Settlement Annuities and Other Disbursements . .	10,328,000	8,480,000
Interest credited to Amounts on Deposit and Company Retirement Plans	7,287,000	6,717,000
Contributions to Company Retirement Plans related to past service	1,000,000	2,020,000
Commissions	18,483,000	16,330,000
Operating Expenses	35,538,000	31,832,000
Taxes (Note)	8,210,000	13,448,000
Adjustment in Asset Values and net results of Investment Trans- actions	9,568,000	15,685,000
Increase in Surplus	10,502,000	1,606,000
	<u>\$349,152,000</u>	<u>\$329,947,000</u>

NOTE: The 1969 comparative figures have been restated to reflect a reclassification of Canadian Investment Income Tax.

BALANCE SHEET as at December 31, 1970

ASSETS

	1970	1969
BONDS	\$ 748,104,000	\$ 680,158,000
STOCKS	224,535,000	223,081,000
Preferred	\$ 94,281,000	
Common	130,254,000	
MORTGAGES	625,489,000	630,836,000
REAL ESTATE HELD FOR INVESTMENT	205,859,000	171,004,000
OFFICE PREMISES	20,687,000	20,826,000
LOANS ON POLICIES	135,938,000	118,176,000
Loans made to policyholders on the security of their policies in accordance with the provisions of their policy contracts		
SEGREGATED INVESTMENT FUNDS	13,623,000	7,309,000
INVESTMENT INCOME ACCRUED	22,941,000	20,220,000
OUTSTANDING PREMIUMS	13,544,000	12,761,000
CASH	25,503,000	28,136,000

NOTE: Sterling currency items are translated into Canadian Dollars at \$2.60 and United States Dollar items are translated at \$1.00. If rates of exchange at December 31, 1970 had been used the surplus as shown would have been increased.

Bonds and stocks are carried in the accounts at cost or less and as at December 31, 1970, the value permitted by Canadian insurance law is in excess of these carrying values.

G. L. HOLMES
Chairman of the Board

A. T. SEEDHOUSE
President

<u>\$ 2,036,223,000</u>	<u>\$ 1,912,507,000</u>
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LIABILITIES

	1970	1969
INSURANCE AND ANNUITY RESERVES	\$ 1,642,509,000	\$ 1,549,685,000
The actuarial liabilities of the Company in respect to its insurance and annuity contracts		
POLICY BENEFITS IN COURSE OF PAYMENT AND PROVISION FOR UNREPORTED CLAIMS	17,251,000	17,525,000
AMOUNTS ON DEPOSIT	104,078,000	99,759,000
Policy proceeds, dividends and other amounts left on deposit with the Company by policyholders and beneficiaries and accrued interest thereon		
PROVISION FOR DIVIDENDS TO POLICYHOLDERS ..	25,608,000	23,561,000
Policyholders' dividends to be paid during 1971		
OTHER LIABILITIES TO POLICYHOLDERS	5,301,000	6,054,000
Miscellaneous credits to policyholders' accounts		
COMPANY RETIREMENT PLANS	48,056,000	44,161,000
The amounts held by the Company for pensions and disability benefits to employees and agents together with the accumulation of employee contributions		
MISCELLANEOUS LIABILITIES	16,065,000	11,223,000
Amounts received but not yet allocated, accrued taxes and expenses, mortgagors' tax prepayments, etc.		
SEGREGATED INVESTMENT FUNDS	13,623,000	7,309,000
CONTINGENCY RESERVE	27,500,000	27,500,000
SURPLUS	136,232,000	125,730,000
	<u>\$ 2,036,223,000</u>	<u>\$ 1,912,507,000</u>

INSURANCE ACCOUNT *for the year ended December 31, 1970*

Business in Force as at December 31, 1969		\$ 8,470,226,000
New Business Issued	\$ 1,266,500,000	
Business Reinstated	113,417,000	
Business Increased (Net)	167,847,000	
Total Increase	\$ 1,547,764,000	
Business terminated by death, maturity of endowment or term	\$ 60,184,000	
Business Lapsed	553,127,000	
Business Surrendered	151,646,000	
Total Decrease	\$ 764,957,000	
Net Increase		782,807,000
Business in Force as at December 31, 1970		\$ 9,253,033,000

INDIVIDUAL LIFE INSURANCE

	New Business 1970	In Force Dec. 31, 1970
United States	\$440,567,519	\$ 2,722,072,184
Canada	218,341,959	1,946,775,771
United Kingdom	92,515,459	592,626,884
South Africa	57,848,922	446,952,298
West Indies	42,395,177	270,342,871
Israel	20,869,910	144,901,317
Hong Kong	18,898,463	73,596,565
Philippines	8,289,541	44,919,202
Overseas Military Bases	1,112,575	5,137,723
Other	4,897,805	140,039,761
	<u>\$905,737,330</u>	<u>\$ 6,387,364,576</u>

GROUP LIFE INSURANCE

	New Business 1970	In Force Dec. 31, 1970
United States	\$305,270,694	\$ 1,692,588,308
Canada	50,146,538	1,007,088,447
United Kingdom	497,485	104,618,570
Hong Kong	2,451,472	30,256,171
West Indies	570,084	12,757,156
Israel	1,460,763	7,733,828
South Africa	364,140	6,076,173
Philippines	1,376	3,170,252
Other	—	1,379,023
	<u>\$360,762,552</u>	<u>\$ 2,865,667,928</u>

ANNUITIES

*For the amount of annual income guaranteed,
either immediate or deferred*

	GROUP		INDIVIDUAL	
	New Business 1970	In Force Dec. 31, 1970	New Business 1970	In Force Dec. 31, 1970
Canada	\$1,646,540	\$62,600,231	\$2,314,726	\$15,035,357
United States	1,123,057	17,406,116	3,395,955	34,780,903
United Kingdom	58,989	1,976,357	159,235	3,782,130
Other	540,111	3,220,782	70,473	1,356,891
	<u>\$3,368,697</u>	<u>\$85,203,486</u>	<u>\$5,940,389</u>	<u>\$54,955,281</u>

INVESTED ASSETS

By currency at Canadian \$ Equivalent (000's Omitted) as at December 31, 1970

	Can. \$	%	U.S. \$	%
Bonds	\$ 287,107	33.67	\$ 291,726	39.81
Preferred Stocks	12,112	1.42	81,563	11.13
Common Stocks	44,602	5.24	58,691	8.01
Mortgages	330,354	38.75	271,483	37.05
Real Estate	178,366	20.92	29,322	4.00
	<u>\$ 852,541</u>	<u>100.00</u>	<u>\$ 732,785</u>	<u>100.00</u>

	£ Sterling	%	South African Rand	%	Other	%
Bonds	\$ 90,075	60.09	\$ 53,729	93.91	\$ 25,467	79.03
Preferred Stocks	650	0.43	—	—	73	.23
Common Stocks	20,998	14.01	3,302	5.77	2,544	7.90
Mortgages	19,328	12.89	185	.32	4,139	12.84
Real Estate	18,858	12.58	—	—	—	—
	<u>\$ 149,909</u>	<u>100.00</u>	<u>\$ 57,216</u>	<u>100.00</u>	<u>\$ 32,223</u>	<u>100.00</u>

	Total	%
Bonds	\$ 748,104	41.00
Preferred Stocks	94,398	5.17
Common Stocks	130,137	7.13
Mortgages	625,489	34.28
Real Estate	226,546	12.42
	<u>\$1,824,674</u>	<u>100.00</u>

	%
Canadian Dollar	46.72
United States Dollar	40.16
Pound Sterling	8.21
South African Rand	3.14
Other	1.77
	<u>100.00</u>

LONG TERM LEASE CONTRACTS

CANADA

Associated Chemical Companies Limited	\$ 159,126
Auto Marine Electric Limited	558,965
Automatic Canteen Company of America	55,164
Borg-Warner (Canada) Limited	73,160
B. P. Canada Limited	1,305,624
Carswell Company Limited	645,038
Codville Distributors Limited	734,790
Cutler-Hammer Inc.	572,666
David Brown Tractors (Canada) Limited	277,890
Dominion Stores Limited	15,239,248
Fruehauf Trailer Company	1,412,740
Honeywell Controls Limited	918,754
Indal Canada Limited	757,397
John Labatt Limited	2,344,193
Levy Industries Limited	518,501
Liquid Carbonic Corporation	139,412
Loblaws Groceries Company Limited	7,418,028
McDonald's Corporation	602,244
Moffatts Limited	164,292
Olivetti Underwood Limited	108,947
Oshawa Wholesale Limited	663,794
Pilkington Brothers (Canada) Limited	2,171,735
Pye Canada Limited	225,671
Pyle-National Canada Limited	274,049
Robin Hood Flour Mills Limited	267,594
Rolph-Clark-Stone Limited	1,297,218
Royalite Oil Company Limited	97,722
Shell Canada Limited	4,464,139
Standard Brands Limited	622,576
Steinberg's Limited	4,080,515
Sylvania Electric (Canada) Limited	329,691
Warnock Hersey Company Limited	84,417
George Weston Limited	345,747
G. H. Wood & Company Limited	190,029
Zeller's Limited	7,751,218

\$ 56,872,294

UNITED KINGDOM \$ 10,784,620

\$ 67,656,914

GROUND RENTS

Canada	\$ 23,828,056
United States	11,516,400
United Kingdom	4,224,988

\$ 39,569,444

DIRECT DEVELOPMENT PROJECTS

Canada	\$ 61,243,078
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PROPERTY PURCHASED FOR INCOME

Canada	\$ 15,737,940
United States	17,803,106
United Kingdom	3,848,264
	<u>\$ 37,389,310</u>
	<u>\$205,858,746</u>

REAL ESTATE

Architect's model of
major real estate investment
of Manufacturers Life.



FIRST MORTGAGES ON REAL ESTATE

Residential	\$492,247,606
Non-Residential	133,241,844
	<u>\$625,489,450</u>

CANADA

Alberta	\$ 35,593,757
British Columbia	51,709,242
Manitoba	15,342,908
Maritimes	5,077,513
Ontario	141,468,816
Quebec	78,408,674
Saskatchewan	3,167,775
	<u>\$330,768,685</u>

UNITED STATES

California	\$ 45,624,052
District of Columbia	2,630,293
Hawaii	3,485,630
Illinois	50,201,050
Indiana	1,276,044
Maryland	74,059,638
Michigan	15,232,738
Minnesota	241,860
New Jersey	1,077,928
Ohio	31,768,957
Oregon	16,286
Pennsylvania	23,334,556
Virginia	16,949,359
Washington	5,362,459
	<u>\$271,260,850</u>

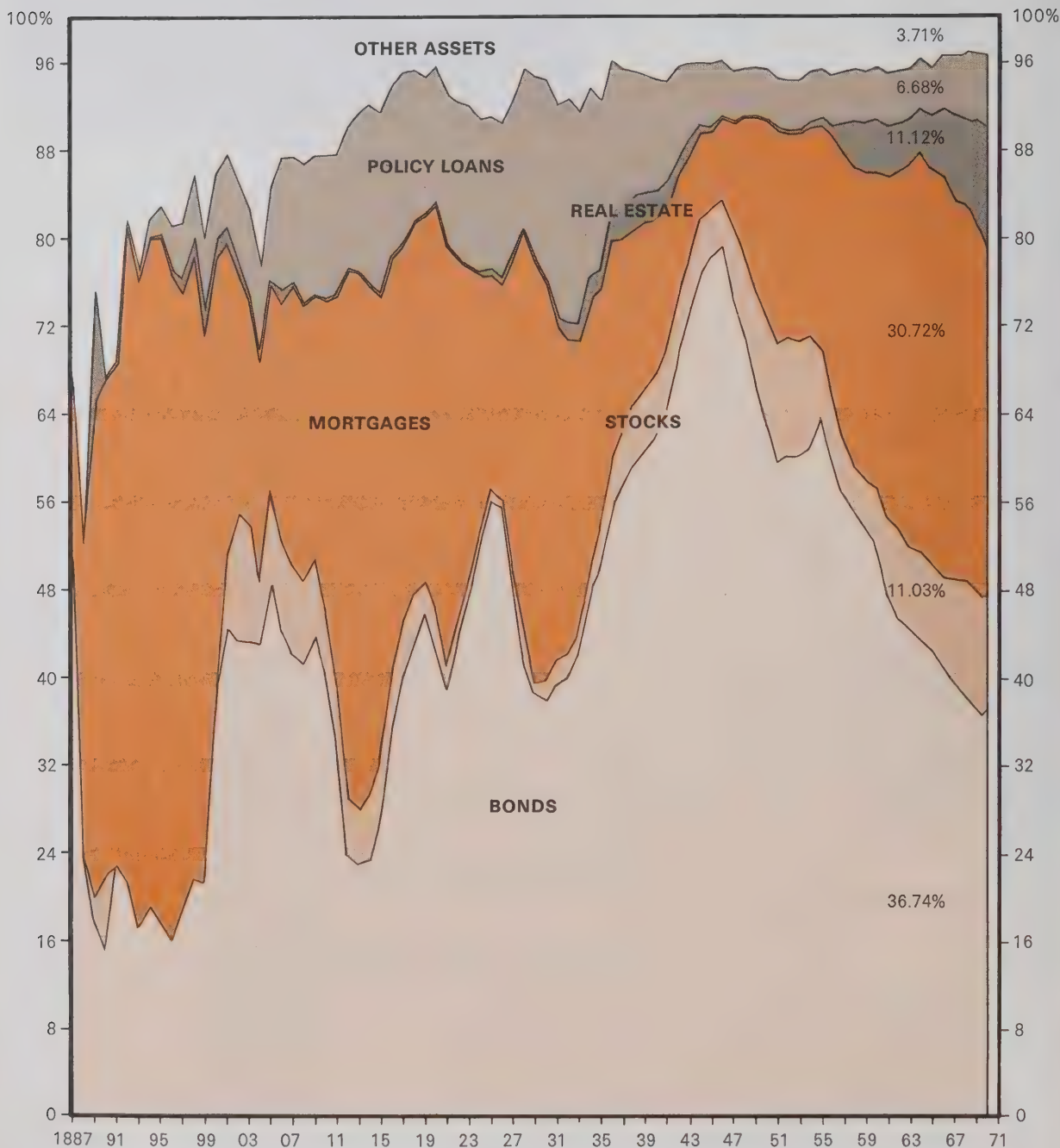
UNITED KINGDOM	\$ 19,327,533
	<u>\$ 19,327,533</u>

Barbados	\$ 796,573
Jamaica	3,335,809
	<u>\$ 4,132,382</u>
	<u>\$625,489,450</u>

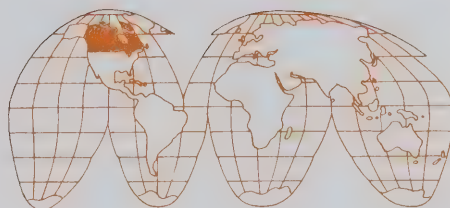
1887-1970

PERCENTAGE COMPOSITION OF
THE TOTAL ASSETS OF **THE MANUFACTURERS LIFE INSURANCE COMPANY**

- POLICY LOANS
- MORTGAGES & SALE AGREEMENTS
- STOCKS
- OTHER ASSETS
- REAL ESTATE
- BONDS



CANADIAN DOLLAR SECURITIES



GOVERNMENT AND GOVERNMENT GUARANTEED BONDS

FEDERAL	Int. Rate	Maturity	Par Value	Book Value
Canada	3.75-7.25	1975-90	\$ 27,710,000	\$ 22,326,059

PROVINCIAL GOVERNMENT

Alberta Municipal Financing Corp. (Gtd. Alta.) ..	5.25-7.25	1983-93	\$ 7,765,000	\$ 6,513,487
Alberta Telephones Commission (Gtd. Alta.)	6.00-9.00	1990-92	4,031,000	3,441,001
British Columbia Electric (Gtd. B.C.)	3.75-5.50	1980-91	1,915,000	1,410,155
British Columbia Hydro & Power (Gtd. B.C.)	5.00	1992	15,000	10,917
East Coast Smelting & Chemical (Gtd. N.B.)	5.85	1986	200,000	169,500
Manitoba	5.75	1996	2,000,000	1,680,000
Manitoba Hydro (Gtd. Man.)	6.00	1988-92	500,000	434,306
Manitoba Telephone (Gtd. Man.)	5.25-6.25	1984-91	650,000	557,374
Ontario	4.25-6.00	1978-87	15,884,000	12,690,269
Ontario Hydro (Gtd. Ont.)	4.00-9.00	1976-95	42,149,000	37,991,563
Ont. Northland Trans. Comm. (Gtd. Ont.)	5.75	1971-72	50,000	45,000
Prince Edward Island	5.75	1989	150,000	120,750
Quebec	5.50-6.00	1979-90	1,285,000	1,011,323
Quebec-Hydro (Gtd. Que.)	5.00-6.00	1983-95	7,567,000	5,947,182
Saguenay Electric (Gtd. Que.)	5.50	1982	105,000	85,837
Seaboard Power (Gtd. Nova Scotia)	4.00-5.50	1971-75	129,000	106,245
Universities Commission (Gtd. Alta.)	7.00-7.50	1988-92	539,000	531,863
			<u>\$ 84,934,000</u>	<u>\$ 72,746,772</u>

INTERNATIONAL BANK

International Bank for Recon. & Dev.	5.25-5.75	1990-91	\$ 615,000	\$ 495,414
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MUNICIPAL BONDS

Alberta	\$ 825,201	\$ 689,281
British Columbia	901,000	725,123
Manitoba	1,906,393	1,725,579
Ontario	18,127,798	15,861,001
Quebec	3,099,500	2,793,783
Saskatchewan	1,998,266	1,587,902
	<u>\$ 26,858,158</u>	<u>\$ 23,382,669</u>

TRANSPORTATION BONDS

Algoma Central Railway	5.75	1979-80	\$ 987,000	\$ 847,360
Interprovincial Pipe Line	5.50-9.37	1985-90	8,101,000	7,240,239
Peace River Oil Pipe Line	6.25	1981-83	722,000	635,200
Producers Pipelines	5.75	1978	179,000	156,625
			<u>\$ 9,989,000</u>	<u>\$ 8,879,424</u>

PUBLIC UTILITY BONDS

Alberta Gas Trunk Line	5.50-6.50	1981-85	\$ 1,882,100	\$ 1,561,213
Bell Canada	3.50-6.75	1976-92	10,460,000	9,011,247
British Columbia Telephone	4.75-9.62	1975-92	2,273,500	2,129,486
Calgary Power	4.50-6.00	1976-85	1,439,000	1,227,923
Canadian Western Natural Gas	5.75	1978-82	99,000	83,655
Consumers' Gas	5.00-5.75	1978-85	3,780,000	3,135,877
Eastern Light & Power	5.75	1985	225,000	193,500
Gaz Metropolitan	5.75-7.00	1980-90	6,610,000	5,342,334

CANADIAN DOLLAR SECURITIES continued

PUBLIC UTILITY BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Maritime Electric	5.75	1981-83	\$ 175,000	\$ 148,062
New Brunswick Telephone	5.62-5.75	1982-84	250,000	214,870
Newfoundland Light & Power	5.00-5.75	1972-84	443,000	368,867
Newfoundland Telephone	7.00	1988-91	500,000	470,000
Northern & Central Gas	5.75-8.00	1978-89	6,725,500	5,671,859
Northern Telephone	5.62-6.00	1981-84	392,000	348,500
Northwestern Utilities	3.50-9.75	1971-94	1,472,750	1,278,659
Nova Scotia Light & Power	5.75-6.00	1984-86	989,000	843,792
Quebec-Telephone	5.75-6.00	1983-90	290,000	245,250
Trans-Canada Pipe Lines	5.50-10.00	1977-90	3,365,500	2,852,675
Union Gas Co. of Canada	5.25-7.75	1978-88	1,849,000	1,731,685
Westcoast Transmission (Conv.)	5.75-7.50	1984-91	3,480,000	3,190,100
			<u>\$ 46,700,350</u>	<u>\$ 40,049,554</u>

INDUSTRIAL BONDS

Abitibi Paper	7.25-9.75	1987-90	\$ 830,000	\$ 830,000
Anglo-Canadian Pulp & Paper	6.25-6.50	1978-86	654,000	588,600
Anthes Imperial	6.00	1980-82	244,000	217,160
Asbestos	9.75	1990	800,000	800,000
Atlantic Sugar Refineries	4.00	1974	153,500	121,453
B.C. Forest Products	5.50-9.75	1989-92	1,696,000	1,456,800
Bahamas-Caribbean Development	6.50	1977	244,000	170,800
BP Refinery Canada (Gtd. BP London & BP Canada)	5.50-5.75	1976-86	819,000	690,960
BP Tanker Finance Canada (Gtd. BP London)	6.25	1984-85	982,000	878,890
British Columbia Molybdenum	5.75	1976	1,104,000	956,980
Budd Automotive Canada (Gtd. Budd Co., Phil.)	6.75-10.00	1986-90	1,525,000	1,475,125
Cadillac Moly Mines	7.00	1978	175,000	17,499
Canada Cement Lafarge	3.75-6.25	1975-86	2,087,000	1,820,570
Canadian Breweries	5.50	1986-89	5,500,500	4,314,835
Canadian Foundation	4.50	1974-76	325,000	251,063
Canadian Industries	5.75	1977	690,000	610,650
Canadian Reynolds	5.75	1974-77	147,000	131,700
Caron Ltd.	6.75	1986-87	568,000	516,880
Chieftain Development	6.00	1979	250,000	250,000
Chinook Chemicals	7.00	1976	186,000	167,400
Consolidated Bathurst	6.00	1984	1,325,000	1,152,750
Consolidated Computer Services	6.00	1984	111,000	75,700
Consolidated Hydrocarbons	6.25-6.50	1981-82	843,000	775,024
Consumers Distribution Co.	9.00	1980	250,000	250,000
Dominion Bridge	6.50	1985-86	500,000	450,000
Dominion Foundries & Steel	6.50	1986-87	331,000	306,175
Dominion Stores	4.25-9.75	1975-90	1,325,000	1,141,387
Dominion Textile	5.62	1988	2,000,000	1,600,000
Domtar	5.50-6.75	1982-90	5,352,000	4,413,866
Dryden Paper	4.75	1974	670,500	576,630
Emco	5.75	1984-85	367,000	308,280
Federal Grain	6.00	1985	750,000	645,000
Ford Motor Credit (Gtd. Ford Motor Co.)		1971	1,500,000	1,483,390
Fruehauf Trailer (Canada)	5.25	1976	590,000	434,399
General Steel Wares	5.00	1972-73	60,000	50,400
Great Lakes Paper	4.00	1972-75	460,000	342,570
Gulf Oil Canada	5.75	1982-88	2,030,000	1,870,975
Hamilton Cotton	8.75	1982-83	412,500	350,625
Harding Carpets	6.00	1984	500,000	430,000
Harvey Woods	3.25-4.00	1971	129,000	32,250
Hudson's Bay Co. Acceptance (Gtd. Hudson's Bay Co.)	6.00	1979-80	200,000	174,000
Hudson's Bay Oil & Gas	4.00-7.00	1975-87	1,980,000	1,673,600
Husky Oil Canada	6.00-6.75	1984-87	4,309,000	3,816,125
Imperial Oil	3.62-7.37	1975-88	1,624,000	1,495,990
International Business Machines	4.25-5.00	1972-74	835,000	699,750
International Harvester Co. of Canada	5.25	1971-73	198,000	174,240
International Multifoods	6.50	1984	374,500	340,795
International Nickel (Canada)	9.25	1990	7,540,000	7,540,000
Irving Refining	5.75	1980	341,000	286,440
Jockey Club	5.25-6.00	1971-83	3,175,000	2,761,055
John Labatt	4.50-7.12	1975-92	3,347,000	2,689,185
Lever Brothers	6.00	1985	525,000	449,875

CANADIAN DOLLAR SECURITIES continued

INDUSTRIAL BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Levy-Russell (Gtd. Levy Indus.)	6.50	1982	\$ 969,000	\$ 862,410
Loblaw Groceries	5.75-6.75	1981-91	1,495,000	1,285,890
M. Loeb	6.50	1980-81	87,000	80,910
Maple Leaf Mills	5.75	1979-81	210,000	182,700
Metels Co. Ltd.	5.75	1974-77	477,000	405,988
Miramichi Timber Resources	11.00	1985	2,250,000	2,250,000
Miron	6.00-6.75	1986-90	250,000	203,375
Mobil Oil Canada (Gtd. Mobil Oil Corp.)	7.50	1988	700,000	667,500
Mogul of Ireland	7.00	1975	750,000	540,000
Noranda Mines	7.50-9.25	1988-90	3,081,000	3,067,115
North America Business Equipment	6.50	1980	675,000	600,750
Northern Electric	5.50-9.50	1982-90	3,375,000	3,079,500
Otis Elevator (Gtd. Otis Elevator, N.J.)	7.00	1986	400,000	388,000
Phillips Cables	5.75	1984-85	500,000	420,000
Price	5.75-6.75	1982-87	1,692,000	1,538,500
Reed Paper Group Canada (Gtd. Reed Paper Group, England)	6.50	1984-85	555,000	493,763
Regent Refining Canada	4.25	1973-75	294,000	226,642
Rio Algom Mines	5.75	1983	1,605,000	1,384,312
Robertson (P.L.) Manufacturing	4.50	1973-76	13,000	9,880
Rolland Paper Co.	5.75	1981-84	165,000	136,950
Rothmans of Pall Mall (Canada)	7.50	1988	1,100,000	1,023,900
Seilon Inc.	6.75	1985	200,000	100,000
Shell Canada	4.62-5.75	1978-83	758,000	644,140
Simpsons	5.75-9.50	1984-89	2,640,000	2,279,303
Simpsons-Sears	5.87	1985	600,000	510,000
Simpsons-Sears Acceptance (Gtd. Simpsons-Sears)	5.50-6.75	1980-86	1,555,000	1,329,270
Sklar Manufacturing	7.50	1986	483,000	362,250
St. Lawrence Cement	6.00	1979	500,000	428,750
Steel Co. of Canada	5.87-9.25	1990	4,050,000	3,699,000
Steinberg's	5.75	1983-84	998,000	833,330
Sydbec Ltd.	5.75-6.00	1984-85	720,000	544,872
T. Eaton Acceptance (Gtd. T. Eaton Co.)	4.50-4.75	1974-76	525,000	429,750
Thurso Pulp & Paper (Gtd. MacLaren Power & Paper)	5.75	1985-87	525,000	430,500
Waterous G.M. Diesel	6.50	1985	50,000	43,875
Western Decalta Petroleum	6.00	1984-85	50,000	37,500
Weston (George)	5.25-6.75	1982-87	1,257,000	1,082,172
Woodward Stores	5.75	1985	100,000	84,000
Zellers	5.50-7.00	1982-86	233,000	204,780
			<u>\$ 98,821,500</u>	<u>\$ 86,946,418</u>

REALTY BONDS

Brewers Warehousing Realty	6.25	1978	\$ 173,000	\$ 159,160
Brewers Warehousing Stores	5.75	1983-84	388,000	348,881
Cadillac Development	8.00	1988	130,000	118,125
Can. Equity & Development (Gtd. Don Mills Devel. & Wrentham)	6.50	1991	1,000,000	800,000
Chinook Shopping Centre	6.50	1988-89	250,000	217,500
Dome Realty	6.50	1971-85	387,000	348,300
Douglas Leaseholds	6.50	1982	413,000	375,830
Eaton (T.) Realty	5.00-6.25	1973-86	1,730,000	1,677,800
Fairview Shopping Plaza	6.75	1980	458,000	412,200
Foundation-Scottish Property	6.50	1992-95	2,000,000	1,874,900
Four Seasons Hotels	7.00	1989	135,000	110,700
Gander Hospital	6.25	1988	195,000	174,525
Grand Falls Hospital	6.50	1987	130,000	120,250
Hudson's Bay Co. Properties	5.75	1988-90	550,000	462,000
Lakeshore Shopping Plaza	6.00	1989-90	500,000	405,000
Laurentian Chest Hospital	6.00	1975-79	52,500	48,563
Loblaw Leased Properties	4.50-5.75	1980-84	1,622,500	1,310,226
Pacific Centre	8.50	1994	375,000	346,462
Salada Realty	6.25	1979-81	70,000	67,200
Sobey Leased Properties	6.50-7.00	1986-91	148,000	144,480
Steinberg's Properties	6.00	1982-84	328,000	292,920
Toronto-Dominion Centre (Gtd. Toronto-Dominion Bank & Cemp)	5.62	1989	500,000	440,000
Treal Properties	5.50	1981-91	850,000	629,000
Triad Properties	5.00	1978-82	131,000	98,250

CANADIAN DOLLAR SECURITIES *continued*

REALTY BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Triton Centres (Brentwood)	6.50	1990	\$ 185,000	\$ 168,350
Triton Centres (Yorkdale)	6.37	1990	65,000	54,938
			<u>\$ 12,766,000</u>	<u>\$ 11,205,560</u>

FINANCE BONDS

Bank of Nova Scotia	7.00	1986-87	\$ 35,000	\$ 32,555
Board of Trade Metro Toronto	6.50	1990	138,000	129,720
Continental Discount	6.25-7.00	1971-76	136,000	132,400
Coronation Credit	6.00-6.25	1971-82	605,000	453,750
Credit Foncier	5.75	1977	4,000	3,500
GMAC of Canada (Gtd. GMAC)		1971	4,500,000	4,368,177
GMAC of Canada (Gtd. GMAC)	5.25-9.50	1971-80	4,150,000	4,056,598
Industrial Acceptance	4.25-6.75	1971-84	3,073,000	2,553,605
Industrial Acceptance (Conv.)	7.00	1985	150,000	150,000
International Harvester Credit Corp. (Canada)	5.75	1982	500,000	455,000
Nova Scotia Savings & Loan	6.50	1971	25,000	25,000
Roynat	5.50-6.25	1979-84	3,050,000	2,735,889
Simpsons Acceptance	5.75	1984	300,000	252,000
Toronto-Dominion Bank	6.00-7.00	1987	303,000	249,802
Traders Group	4.50-7.75	1972-87	1,470,000	1,229,084
Union Acceptance	6.25	1981	69,000	60,030
			<u>\$ 18,508,000</u>	<u>\$ 16,887,110</u>

DIOCESAN & RELIGIOUS ORDER BONDS

Apostolic Trustees Friars Minor	6.00	1975-83	\$ 50,000	\$ 45,750
Basilian Fathers, Sandwich, Ont.	5.00	1971-76	39,000	31,980
Bros. of the Christian Schools	4.50	1971	17,500	14,525
Grey Nuns of the Cross of Ottawa	4.00	1971-74	737,000	552,750
L'Institut de Notre Dame des Missions	5.75	1971-83	273,000	244,335
North Monaghan Twp. R.C.S.S. (Gtd. R.C. Episcopal Corp.)	5.50	1971-72	14,500	12,470
Order of St. Basil the Great in Canada	6.25	1975-83	171,000	155,610
Pembroke, R.C.S.S., Town, Ont. (Gtd. Diocese of Pembroke)	5.50-6.25	1971-73	65,000	57,285
Providence Hospital, Moose Jaw, Sask.	6.50	1971-80	50,000	47,375
Religious Hospitaliers of the Hotel Dieu Diocese of London	5.25-5.75	1971-82	422,000	376,900
Sisters of Charity of the Immaculate Conception	6.00	1989	176,000	155,760
Sisters of Notre Dame of Ont.	3.50	1971	5,700	4,845
Sisters Servant of Mary Immaculate	4.50-5.75	1971-74	145,000	132,890
St. Andrews College	6.25-6.50	1974-88	50,000	45,250
The Presbyterian Church Building Corp.	6.25-6.50	1971-79	318,000	292,504
Ursuline Religious of the Diocese of London, Ontario	6.00	1971-78	94,000	82,720
Waterloo Lutheran University	6.25	1971-83	91,000	84,630
			<u>\$ 2,718,700</u>	<u>\$ 2,337,579</u>

MISCELLANEOUS BONDS

Capital Diversified Ind. (Conv.)	8.50	1979	\$ 200,000	\$ 200,000
Cdn. Pacific Securities Ltd. (Gtd. Canadian Pacific Inv.)	9.50	1990	1,400,000	1,400,000
National Hospital Management Services (Conv.)	7.00	1984	250,000	250,000
			<u>\$ 1,850,000</u>	<u>\$ 1,850,000</u>

TOTAL CANADIAN DOLLAR BONDS

\$331,470,708 \$287,106,559

STOCKS — PREFERRED

	Div. Rate	No. of Shares	Book Value
Alberta Gas Trunk Line D (Conv.) Series D	5.375	10,000	\$ 1,100,355
Argus Corp. (Conv.) C	.60	40,000	491,224
Bell Canada (Conv.)	3.20	3,975	181,930
Cadillac Development B	6.50	2,000	40,000
Canadian Food Products (Conv.)	6.00	1,250	41,109
Canadian Foundation A	6.00	20,346	269,585
Canadian Hydrocarbons	5.50	49,200	742,916
Cdn. Pacific Investm. (Conv. A)	4.75	45,000	842,838
Debhold (Canada) Series B	6.25	8,960	865,807
Dominion Glass (Conv.)	7.00	10,600	243,738

CANADIAN DOLLAR SECURITIES continued

STOCKS — PREFERRED (cont'd)

	Div. Rate	No. of Shares	Book Value
Gaz Metropolitan	5.40	3,205	\$ 228,141
Gas Metropolitan (1966)	5.50	4,440	305,250
Harding Carpets Class A	.48	10,000	173,197
Hugh Russel & Sons (Conv.) A	6.50	2,400	48,000
Husky Oil B	6.00	3,550	172,627
ITL Industries (Conv.)	6.50	4,600	79,350
Int'l Utilities (Conv.) A		20,000	958,610
Interprov. Steel & Pipe (Conv.)	1.20	11,300	203,400
Investors Group (Conv.)	5.00	40,000	1,000,000
Laurentide Financial (Conv.) 2nd	2.00	10,000	133,875
Livingston Industries A	6.00	8,000	337,839
Loeb (M.) (Conv. A)	5.75	9,000	437,000
Morse (Robert) (Conv. A)	5.50	12,825	654,075
Morse (Robert) (Conv. B)	5.50	7,425	377,479
Northern & Central Gas (Conv. B)	1.50	7,600	197,368
Power Corporation	4.75	2,445	88,998
Rothmans of Pall Mall (Can.) A	6.85	11,000	999,000
Toronto Star Class B	.225	8,500	116,750
Trans-Canada Pipe Lines (Conv. A)	2.75	14,275	781,321
			<u>\$ 12,111,782</u>

STOCKS — COMMON

	No. of Shares	Book Value
Abitibi	65,000	\$ 504,372
AGT Data Systems	22,500	329,375
Alberta Gas Trunk Line A	53,400	1,792,478
Algoma Central Railway	60,000	618,855
Anglo Canadian Pulp & Paper	24,700	154,375
Aquitaine Co. of Canada	15,000	345,527
Auto Electric Service	20,000	350,000
Bell Canada	50,000	2,294,981
Cadillac Development	21,000	161,205
Calgary Power	50,000	1,240,578
Canada Perm. Mortgage Corp.	30,300	319,809
Canadian Enterprise Development	51,000	135,036
Canadian Pacific Railway	31,500	1,703,375
Cassiar Asbestos	25,000	468,716
Cdn. Imperial Bank of Commerce	120,000	1,672,412
Chateau-Gai Wines	10,000	147,350
Chemcell	43,000	320,740
Chinook Chemicals	4,950	1
Cominco	5,000	119,938
Computel Systems	5,000	205,000
Consolidated Computer Services	25,000	180,526
Consumers Distributing Co.	10,000	180,000
Distillers Corp. Seagrams	41,200	892,081
Dome Petroleum	3,000	182,469
Dominion Foundries & Steel	34,500	773,180
Dominion Glass	25,000	564,312
Du Pont of Canada	19,250	607,986
Fields Stores	69,700	470,704
Four Seasons Hotels	2,700	34,300
General Investment Corp. of Que.	6,000	21,000
Gray Ind. Ltd.	50,000	225,000
Great West Steel Industries	71,500	250,250
Gulf Oil Canada	92,000	1,590,055
Hiram Walker-Gooderham & Worts	46,000	1,530,781
Home Oil A	32,000	796,509
Hudson Bay Mining & Smelting	17,175	222,201
Hudson's Bay Oil & Gas	35,530	633,731
Huron & Erie Mortgage	39,375	499,711
Husky Oil Canada	40,000	798,234
I.A.C.	40,000	511,914
I.T.L. Industries	20,000	396,021
Imasco	37,000	625,779
Imperial Oil	24,000	415,530
Interprovincial Pipe Line	30,000	599,336
Interprovincial Steel & Pipe	48,000	184,320
Koffler Stores	36,600	470,643
Lake Dufault Mines	33,000	518,483

CANADIAN DOLLAR SECURITIES continued

STOCKS — COMMON (cont'd)

	<u>No. of Shares</u>	<u>Book Value</u>
Leigh Instruments	48,550	\$ 983,647
Mattagami Lake Mines	23,000	195,500
McIntyre Porcupine Mines	2,300	219,025
National Trust	16,000	342,331
Noranda Mines	40,000	686,022
Northern & Central Gas	110,000	1,305,394
Nova Scotia Light & Power	30,500	271,856
Opemiska Copper Mines Que.	55,000	395,987
Oshawa Wholesale A	24,900	509,792
Placer Development	24,600	931,467
Price	28,700	388,850
Rank Organization	32,000	494,864
Reed Shaw Osler	32,500	665,486
Royal Bank of Canada	126,000	1,571,744
Royal Trust	25,500	515,235
Shell Canada	8,900	301,780
Sherritt Gordon Mines	29,200	525,986
Siebens Oil & Gas	45,000	424,490
Simpsons	66,838	584,325
Sklar Manufacturing	22,580	1
Slater Steel Industries	27,500	182,187
Steel Co. of Canada	72,000	1,530,327
Systems Dimensions	50,000	200,000
Texaco Canada	19,275	388,481
Toronto-Dominion Bank	25,000	435,637
Trans Canada Pipe Lines	15,000	294,000
Union Gas	100,000	917,742
Union Oil Co. of Canada	15,800	267,651
Wajax	38,000	466,644
Weston (George)	65,000	1,537,361
		<u>\$ 44,592,991</u>

WARRANTS

	<u>Warrants</u>	<u>Book Value</u>
Four Seasons Hotels	2,700	\$ 9,400
General Wire & Cable	4,700	1
North American Business	22,500	1
		<u>\$ 9,402</u>

TOTAL CANADIAN DOLLAR STOCKS

\$ 56,714,175

TOTAL CANADIAN DOLLAR SECURITIES

\$343,820,734



UNITED STATES DOLLAR SECURITIES

GOVERNMENT AND GOVERNMENT GUARANTEED BONDS

UNITED STATES — FEDERAL		Int. Rate	Maturity	Par Value	Book Value
United States of America		2.50-4.25	1972-92	\$ 665,000	\$ 214,059
UNITED STATES — STATES & POSSESSIONS					
Puerto Rico		3.40-5.00	1971-86	\$ 33,000	\$ 27,530

CANADIAN PROVINCIAL

Alberta Municipal Financing Corp. (Gtd. Alta.)	4.75	1984	\$ 693,000	\$ 554,400
New Brunswick Electric Power Comm. (Gtd. N.B.)	5.25	1986	250,000	206,250
Ontario	3.25	1975	100,000	80,500
Quebec Hydro (Gtd. Que.)	3.50	1978	90,000	66,150
			\$ 1,133,000	\$ 907,300

OTHER GOVERNMENTS

Bonos de Fomento (Gtd. Guatemala)	4.50	1977	\$ 110,000	\$ 110,000
State of Israel	5.50	1988	100,000	100,000
			\$ 210,000	\$ 210,000

INTERNATIONAL BANK

Inter American Development Bank	4.25-4.50	1982-84	\$ 1,327,000	\$ 973,343
International Bank for Reconstruction & Development	4.50	1982	745,000	547,575
			\$ 2,072,000	\$ 1,520,918

MUNICIPAL BONDS

British Columbia			\$ 14,000	\$ 12,564
Ontario			84,000	74,730
			\$ 98,000	\$ 87,294

TRANSPORTATION BONDS

Baltimore & Ohio Railroad	4.00	1980	\$ 634,000	\$ 431,120
Braniff Airways	5.75	1986	2,050,000	1,537,500
Chicago, Milwaukee, St. Paul & Pacific Railroad (Conv.)	4.50	2044	565,000	283,583
Missouri Pacific Railroad	4.25	1990-05	50,000	31,000
Seatrains Lines (Conv.)	6.00	1994	340,000	325,600
Trans World Airlines (Conv.)	5.00	1994	593,000	376,555
			\$ 4,232,000	\$ 2,985,358

PUBLIC UTILITY BONDS

Alberta Natural Gas	5.75	1986	\$ 335,000	\$ 279,725
American Telephone & Telegraph	4.37-8.70	1994-01	24,747,000	18,437,880
Baltimore Gas & Electric	3.00-5.12	1989-96	1,511,000	1,000,617
Boston Edison	4.75-6.12	1995-97	1,497,000	1,184,635
Carolina Power & Light	4.50	1994	100,000	63,277
Chesapeake & Potomac Telephone	3.25-5.87	1995-07	1,496,000	1,067,207
Cincinnati Gas & Electric	8.62	2000	154,000	154,000
Cleveland Electric Illumination	3.87	1993	200,000	124,317
Columbia Gas System	3.00-7.00	1975-93	11,801,000	8,550,691
Commonwealth Edison	5.25-6.75	1996-98	7,161,000	5,992,990
Connecticut Light & Power	4.87-6.87	1990-98	2,855,000	2,362,961
Consolidated Edison Co. of New York	3.37	1982	46,000	32,660
Consolidated Natural Gas	4.37-7.75	1986-94	5,503,000	4,393,858
Consumers Power	4.62-6.00	1989-97	3,575,000	2,895,195

UNITED STATES DOLLAR SECURITIES continued

PUBLIC UTILITY BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Dallas Power & Light	4.87-5.37	1996-97	\$ 1,258,000	\$ 1,011,469
Dayton Power & Light	5.62	1997	1,211,000	982,335
Detroit Edison	2.87-8.15	1976-2000	4,712,000	4,254,416
Duke Power	4.25-7.00	1992-99	1,546,000	1,204,667
Duquesne Light	5.25-6.37	1997-98	1,590,000	1,219,629
Florida Power	4.62-7.87	1995-99	350,000	312,035
Florida Power & Light	4.50-6.75	1989-97	973,000	715,891
General Telephone & Electronics (Conv.)	4.00	1990	657,000	455,794
Georgia Power	5.75-6.62	1996-98	1,097,000	842,210
Gulf States Utilities	5.37	1997	313,000	241,785
Hawaiian Telephone	3.12-4.75	1980-84	1,899,000	1,420,670
Honolulu Gas	3.87-5.25	1976-84	745,000	610,950
Houston Lighting & Power	3.00-7.50	1989-99	1,659,000	1,199,721
Illinois Bell Telephone	4.37-6.00	1994-98	1,328,000	964,938
Illinois Power	5.85	1996	641,000	480,444
Indiana Bell Telephone	5.50	2007	600,000	417,531
Kansas City Power & Light	6.75	1998	400,000	367,000
Long Island Lighting	4.62	1994	16,000	11,634
Louisville Gas & Electric	5.62	1996	719,000	630,077
Mexican Light & Power	5.00	1975	47,500	10,450
Michigan Bell Telephone	4.62-6.37	1994-2005	670,000	446,463
Mountain States Telephone	4.50-9.00	2000-10	4,309,000	3,397,788
New England Telephone	4.00-6.37	1993-2008	2,681,000	1,906,818
New Jersey Bell Telephone	3.00-6.62	1989-2008	4,691,000	3,524,119
New York Telephone	3.37-7.50	1993-2009	6,181,000	4,424,677
Northern Indiana Public Service	4.62	1995	275,000	177,748
Northern Natural Gas	6.87	1987	667,000	667,344
Northern States Power	5.87-8.00	1996-99	813,000	707,446
Northwestern Bell Telephone	4.87-6.25	1998-2007	1,143,000	846,256
Ohio Bell Telephone	5.00-5.37	2006-07	572,000	408,818
Ohio Edison	4.50	1989	132,000	99,724
Ohio Power	5.00	1996	12,000	8,355
Oklahoma Gas & Electric	4.50-5.12	1987-97	411,000	304,305
Pacific Gas & Electric	4.37-7.50	1990-2001	15,385,000	13,167,874
Pacific Power & Light	3.75	1982	200,000	144,000
Pacific Telephone & Telegraph	3.12-6.50	1989-2003	1,914,000	1,295,996
Panhandle Eastern Pipe Line	4.37-8.62	1982-90	7,766,000	6,420,075
Pennsylvania Power & Light	4.62	1991	485,000	360,255
Philadelphia Electric	5.00-6.50	1989-97	1,152,000	917,959
Porto Rico Telephone	4.75	1978-81	848,000	706,310
Potomac Electric Power	5.12	2001	273,000	209,458
Public Service Co. of Colorado	5.37-5.87	1996-97	1,222,000	1,010,660
Public Service Co. of Oklahoma	5.25	1996	511,000	371,831
Public Service Electric & Gas	4.37-7.62	1989-99	1,595,000	1,199,984
South Central Bell Telephone	8.25	2004	1,470,000	1,470,000
Southern Bell Telephone & Telegraph	3.12-6.00	1989-2004	2,484,000	1,777,437
Southern California Edison	4.37-6.37	1985-93	1,094,000	884,664
Southern New England Telephone	4.12-5.75	1991-96	450,000	327,760
Southwestern Bell Telephone	5.37-6.75	2003-08	3,617,000	2,764,856
Tampa Electric	5.50	1996	200,000	143,074
Tenneco	5.12	1990	293,000	222,925
Tennessee Gas Transmission	3.87	1976-89	10,921,000	8,535,797
Texas Eastern Transmission	4.75-8.70	1979-88	11,108,000	8,800,197
Texas Electric	4.50-5.12	1995-96	400,000	154,375
Texas Gas Transmission	9.50	1990	99,000	98,522
Texas Power & Light	4.50-5.50	1995-97	1,295,000	1,010,852
Trans Canada Pipe Lines	5.25-6.25	1978	525,000	445,760
Trans Continental Gas Pipe Line	4.87	1982-86	1,121,000	896,048
Transcontinental Gas Pipe Line	4.75-8.87	1982-91	3,596,000	2,487,397
Union Electric	4.50-5.50	1991-97	1,310,000	800,169
Virginia Electric & Power	4.50-5.12	1991-97	1,435,000	1,049,411
West Pennsylvania Power	7.12	1998	500,000	441,250
Westcoast Transmission	4.37-5.50	1977-88	883,000	675,950
Wisconsin Electric	5.87-6.87	1996-97	1,100,000	901,940
Wisconsin Telephone	6.25	2004	1,184,000	889,573
			<u>\$181,732,500</u>	<u>\$141,395,879</u>

REVENUE BONDS

Chicago O'Hare International Airport	4.25	1999	\$ 15,000	\$ 12,600
Columbia Storage Power Exchange	3.87	2003	3,750,000	3,102,225

UNITED STATES DOLLAR SECURITIES continued

REVENUE BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Consumers Public Power District, Nebraska	5.10	2003	\$ 530,000	\$ 530,000
Grant County Washington P.U.D. 2	3.85	2009	425,000	344,250
Indiana Toll Road Comm.	3.50	1994	7,528,000	5,443,546
Jacksonville Expressway Authority, Fla.	4.10	2003	4,355,000	3,440,450
Kansas Turnpike Authority	3.37	1994	3,277,000	2,290,983
New Jersey Expressway Authority	4.75	2002	350,000	294,000
Oklahoma Turnpike Authority, Northeastern Turnpike	4.70	2006	3,350,000	2,780,500
Puerto Rico Water Resources	7.50	1999	10,000	10,000
			<u>\$ 23,590,000</u>	<u>\$ 18,248,604</u>

INDUSTRIAL BONDS

Air Reduction (Conv.)	3.87	1987	\$ 660,000	\$ 465,679
Akzona (Conv.)	5.25	1994	1,000,000	950,000
Allied Chemical & Dye	3.50-5.20	1978-91	8,685,000	6,828,025
Alloys Unlimited (Conv.)	4.50	1993	285,000	186,713
Aluminum Co. of America	3.00-4.25	1976-83	16,663,000	12,730,290
Aluminum Co. of America (Conv.)	5.25	1991	1,289,000	1,289,000
American Can	3.75-4.75	1988-90	6,785,000	4,814,093
Armco Steel	4.35	1984-86	3,670,000	2,642,500
Armour	5.00	1984	1,243,000	995,168
Atlantic Richfield	7.00-7.70	1976-2000	740,000	740,000
Baxter Laboratories (Conv.)	4.75	1990	275,000	275,000
Bethlehem Steel	5.40	1992	1,000,000	801,520
Borden	4.37-5.75	1991-97	479,000	386,816
Canadian Breweries	4.25	1981	307,000	236,390
Chrysler	8.75	1975	2,244,000	2,244,000
Container Corp. of America	3.30	1980	626,000	438,106
Continental Oil	3.00	1984-91	4,437,000	3,225,287
Copperweld Steel (Conv.)	5.00	1979	1,276,000	1,065,400
Deere	4.50-5.40	1986-92	1,927,000	1,483,518
Del Monte (Conv.)	5.25	1994	20,000	17,100
Diamond Shamrock	4.62	1987	405,000	330,675
Dow Chemical	4.35	1988	240,000	161,252
El Paso Natural Gas	4.25	1990	1,350,000	989,000
F.M.C.	3.80	1981	957,000	714,669
Firestone Tire & Rubber	3.25-4.25	1977-88	3,361,000	2,458,302
Fruehauf (Conv.)	5.50	1994	410,000	394,625
Glenmore Distilleries (Conv.)	4.75	1981	310,000	220,100
Goodrich, B. F.	4.62	1985	648,000	495,781
Goodyear Tire & Rubber	8.60	1995	270,000	270,000
Great Northern Nekoosa (Conv.)	4.25	1991	357,000	319,515
Helmerich & Payne (Conv.)	5.00	1987	421,000	298,910
Inland Steel	3.50-4.37	1981-87	2,457,000	1,839,345
Jones & Laughlin Steel	5.00	1991	1,688,000	1,351,027
Kimberly-Clark	3.75	1983	290,000	215,450
Kraftco	4.37	1992	180,000	123,075
Lone Star Cement (Conv.)	5.12	1993	189,000	180,022
Lowenstein (M.) & Sons	4.37	1981	174,000	128,760
Lykes-Youngstown	4.50	1990	115,000	84,665
Marathon Oil	4.37	1987	423,000	317,806
Mead Corp.	4.37	1983	900,000	682,642
National Cash Register	4.37-4.75	1985-87	3,375,000	2,639,789
National Steel	3.87-8.00	1986-95	1,457,000	1,264,648
Ogden (Conv.)	5.00	1993	308,000	184,800
Penn-Dixie Cement (Conv.)	5.00	1982	450,000	308,813
Princeton Chemical Research (Conv.)	5.00	1975	501,000	400,000
R.C.A.	4.50	1992	25,000	25,000
Ralston Purina	4.37	1988	625,000	478,125
Reeves Brothers (Conv.)	4.00	1991	113,000	78,252
Republic Steel	4.37	1985	2,153,000	1,573,253
Reynolds Metals (Conv.)	4.50	1991	1,042,000	1,010,740
Seagram (Joseph E.) & Sons	4.25	1983	891,000	648,019
Shell Oil	4.62	1986	2,213,000	1,707,510
Sinclair Oil	4.60	1988	2,871,000	2,180,359
Sola Basic Industries (Conv.)	4.50	1992	96,000	64,320
Standard Oil Co. of Indiana	4.50	1983	871,000	635,830
Standard Oil of California	4.37	1983	200,000	142,588
Standard Packaging (Conv.)	5.25	1990	960,000	623,880
Stauffer Chemical	4.50	1989	568,000	439,677

UNITED STATES DOLLAR SECURITIES continued

INDUSTRIAL BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Sun Oil	4.62	1990	\$ 1,897,000	\$ 1,462,531
Sundstrand (Conv.)	5.00	1993	579,000	579,000
Sunray D X Oil	4.25	1987	785,000	583,918
Superior Oil	3.75	1981	8,011,000	6,132,400
Unimed (Conv.)	5.00	1976	500,000	450,000
United Merchants & Manufacturers (Conv.)	4.00	1990	1,018,000	850,030
United States Smelting, Refining & Mining (Conv.)	5.75	1993	925,000	647,500
United States Steel	4.00-4.50	1983-86	20,261,000	14,992,421
U.S. Plywood Champion Papers	4.62	1990	370,000	273,526
			<u>\$121,821,000</u>	<u>\$ 93,767,155</u>

REALTY BONDS

Kaufman & Broad	6.00	1995	\$ 115,000	\$ 115,000
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FINANCE BONDS

Bankers Trust (N.Y.)	4.50	1988	\$ 5,741,000	\$ 4,041,471
Beneficial Finance	4.45	1988	100,000	79,250
Calvary Hospital	4.50	1971	115,000	101,200
Chase Manhattan Bank	4.60	1990	9,220,000	7,169,421
Chase Manhattan Bank (Conv.)	4.87	1993	329,000	322,721
Crocker Citizens National Bank	4.60	1989	2,167,000	1,546,817
Manufacturers National Bank of Detroit (Conv.)	5.00	1994	170,000	153,000
			<u>\$ 17,842,000</u>	<u>\$ 13,413,880</u>

DIOCESAN & RELIGIOUS ORDER BONDS

Baptist Hospital of Miami	6.00	1973-75	\$ 150,000	\$ 144,000
Diocese of Rapid City, S.D.	5.35-5.50	1975-76	200,000	184,000
Dominican Sisters of Washington	5.50	1983-83	200,000	176,000
Evangelical Covenant Church of Chicago, Ill.	5.25	1982-85	355,000	301,750
Evangelical Hospital Assoc. of Chicago	6.00	1972-75	175,000	169,750
First Baptist Church of Garland	5.40	1974-78	200,000	182,000
First Church Financing Corp. of America	5.00	1979	500,000	430,000
First Methodist Church of Dallas	5.75	1975	100,000	94,000
Holy Cross Hospital (Gtd. Sisters of Holy Cross)	5.50	1981-82	350,000	315,000
Hospital of Sisters of the Poor of St. Francis	5.25	1979-81	150,000	132,000
Little Co. of Mary Hospital	5.12	1971-74	250,000	230,000
Little Co. of Mary, Torrance, Cal.	5.50-5.65	1972-75	100,000	93,500
Lutheran Charities Assoc. of St. Louis	5.00	1971	198,000	182,160
Lutheran Hospital Society of Southern California	5.50-5.75	1972-75	750,000	697,500
Mercy Hospital, Urbana, Ill.	5.50	1975-76	400,000	368,000
Oak Ridge Hospital of the Methodist Church	5.65-5.75	1973-76	150,000	140,200
Oklahoma Baptist University	5.50-5.60	1971-77	309,000	286,840
Presbyterian Intercommunity Hospital	5.37	1978	300,000	270,000
Presbyterian Ministries (Gtd. Washington Synod)	5.75-5.85	1971-75	150,000	142,500
Queen of Valley Hospital (Gtd. Sisters of Heart of Mary)	5.50	1975-77	345,000	317,400
Roman Catholic Bishop of Youngstown	4.00	1971	125,000	110,312
Shrine of Our Lady of La Salette	5.50	1976	118,000	108,560
Sisters of Mercy of Colorado	5.50	1979-82	250,000	227,500
Sisters of St. Joseph of Tipton	4.50	1971-72	190,000	171,862
Sisters of St. Joseph of Wichita St. Rose Hospital	5.65-5.75	1972-76	200,000	188,500
South Georgia Methodist Nursing Home	5.50	1977-78	165,000	148,500
Springfield Baptist Hospital	5.75	1974-76	150,000	142,500
St. Barnabas Hospital	5.50	1971-72	185,000	175,750
St. Francis Hospital & School of Nursing	5.12	1981-85	500,000	420,000
St. Francis Hospital, Milwaukee	3.80-3.85	1971-72	140,000	119,175
St. John's Hospitals, Fargo, N.D.	4.90	1981-83	100,000	83,000
St. Joseph's Hospital, Paterson, N.J.	5.00	1981-85	200,000	166,000
St. Joseph's Hospital, Superior, Wis.	5.50	1971-76	285,000	265,050
St. Luke's Hospital, Boise	5.75	1975-77	150,000	139,500
United Lutheran Program for the Aging	5.65	1973-74	22,000	20,460
Washington Synod of the Presbyterian Church ..	4.75-5.85	1971-75	180,500	171,367
Wesley Woods Methodist Nursing Home	5.25-5.50	1973-78	160,000	146,200
West Suburban Hospital Assoc.	5.25	1971-73	65,000	61,750
			<u>\$ 8,517,500</u>	<u>\$ 7,722,586</u>

TOTAL UNITED STATES DOLLAR BONDS

<u>\$362,061,000</u>	<u>\$280,615,563</u>
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UNITED STATES DOLLAR SECURITIES continued

STOCKS — PREFERRED — PUBLIC UTILITY	Div. Rate	No. of Shares	Book Value
Alabama Power	4.52	1,800	\$ 124,153
Alabama Power	4.64	6,647	475,484
American Water Works (Conv.)	4.10	15,000	257,295
Baltimore Gas & Electric	5.40	7,100	481,075
Baltimore Gas & Electric (Conv.)	6.50	1,550	131,750
Boston Edison	4.25	9,373	626,987
Boston Edison	4.78	1,000	74,171
Boston Edison	8.88	1,000	101,600
Central Maine Power	4.60	50	3,400
Colorado Interstate	5.35	9,025	722,586
Colorado Interstate	5.50	5,390	455,455
Commonwealth Telephone (Pa.)	4.75	4,550	345,800
Connecticut Light & Power	1.90	15,611	472,988
Connecticut Light & Power	2.04	9,350	300,137
Connecticut Light & Power	2.20	9,733	337,937
Connecticut Light & Power	2.06	4,977	162,179
Consol Edison Co. of N.Y.	5.25	2,500	187,000
Consol Edison Co. of N.Y. C	4.65	5,265	379,054
Consol Edison Co. of N.Y. D	4.65	22,804	1,623,709
Consol Edison Co. of N.Y. E	5.75	9,572	851,908
Consumers Power	4.16	8,690	545,541
Consumers Power	4.52	1,500	95,000
Dallas Power & Light	4.00	6,701	376,445
Dallas Power & Light	4.24	14,072	951,692
Detroit Edison (Conv.)	5.50	5,000	475,978
Duke Power	8.70	9,450	945,000
Duke Power (Conv.)	6.75	13,000	1,300,000
Duke Power	5.72	9,000	742,172
Duke Power	6.72	1,750	164,163
Duquesne Light	4.10	6,700	205,913
Duquesne Light	4.15	2,800	93,100
Florida Power	8.80	5,550	555,000
Florida Power	4.40	1,635	94,346
Florida Power & Light	4.50	6,500	367,250
General Telephone & Electronics (Conv.)	5.35	1,000	37,500
Gulf States Utilities	4.20	3,730	241,109
Gulf States Utilities	5.08	2,000	146,642
Honolulu Gas	4.90	17,000	263,500
Houston Lighting & Power	6.72	1,700	159,481
Illinois Power	4.08	17,505	562,088
Illinois Power	4.20	1,530	51,326
Illinois Power	4.26	12,370	421,948
Illinois Power	4.42	12,970	415,537
Illinois Power	4.70	2,200	78,501
Kansas City Power & Light	4.00	1,768	101,049
Kansas City Power & Light	4.20	500	26,687
Kansas City Power & Light	4.35	2,520	149,592
Kansas City Power & Light	4.50	1,200	69,000
Long Island Lighting	4.35	12,240	825,780
Louisiana Power & Light	4.16	4,300	278,900
Louisiana Power & Light	4.44	3,370	207,059
Louisiana Power & Light	5.16	200	15,800
Montana-Dakota Utilities	4.70	2,700	191,700
Narragansett Electric	4.64	3,132	112,752
Northern Illinois Gas	4.48	12,003	862,775
Northern Indiana P S	4.22	8,695	539,625
Northern Indiana P S	4.50	1,100	78,300
Northern States Power	4.10	14,520	897,843
Northern States Power	4.11	13,369	831,350
Ohio Edison	4.44	9,170	648,996
Ohio Power	4.08	5,188	321,850
Ohio Power	4.20	760	47,550
Ohio Power	4.40	5,695	390,440
Pacific Gas & Electric	4.36	6,850	116,780
Pacific Gas & Electric	4.50	3,300	55,650
Pacific Gas & Electric	4.80	5,000	93,365
Panhandle Eastern Pipe Line	4.64	11,941	865,699
Pennsylvania Electric	4.05	1,680	109,517
Pennsylvania Electric	4.60	10,200	750,864
Philadelphia Electric	3.80	10,200	520,300

UNITED STATES DOLLAR SECURITIES continued

STOCKS—PREFERRED PUBLIC UTILITY (contd)	Div. Rate	No. of Shares	Book Value
Philadelphia Electric	4.30	10,000	\$ 626,551
Philadelphia Electric	4.68	11,800	887,100
Philadelphia Electric	7.00	7,940	794,000
Philadelphia Electric	8.75	10,200	1,020,000
Public Service Co. of Colorado	4.64	2,630	191,196
Public Service Co. of Colorado	4.90	2,995	229,749
Public Service Electric & Gas	4.08	4,800	303,988
Public Service Electric & Gas	4.18	5,250	324,241
Public Service Electric & Gas	4.30	16,650	955,694
Puget Sound Power & Light	4.84	2,000	147,000
Southern California Edison	4.08	18,100	289,233
Southern California Edison	4.24	16,750	274,086
Tenneco	4.10	9,670	762,958
Tenneco	4.25	2,647	213,062
Tenneco	4.60	11,357	896,736
Tenneco	4.64	3,017	242,623
Tenneco	4.65	560	45,765
Tenneco	4.90	7,598	532,856
Tenneco	5.04	4,045	295,285
Tenneco	5.24	11,340	850,319
Texas Eastern Transmission	5.52	4,135	330,800
Texas Eastern Transmission	5.60	2,105	168,400
Texas Electric Service	4.00	4,040	260,643
Texas Electric Service	4.64	3,624	259,548
Texas Electric Service	8.92	400	40,545
Texas Power & Light	4.00	7,385	447,527
Texas Power & Light	4.44	22,900	1,614,081
Texas Power & Light	4.76	8,500	517,750
Texas Power & Light	7.80	650	60,450
Toledo Edison	4.25	2,310	150,150
Transcontinental Gas Pipe Line	5.26	6,100	462,600
Transcontinental Gas Pipe Line	5.60	8,555	692,955
Transwestern Pipe Line	5.50	27,000	1,944,000
Trunkline Gas	4.75	6,000	429,000
Trunkline Gas	5.15	3,664	287,624
Union Electric	4.00	11,270	721,130
Union Electric	4.56	7,245	447,983
Union Electric	8.00	370	34,270
United Air Lines	5.50	11,769	865,287
Virginia Electric & Power	8.84	5,050	505,000
Virginia Electric & Power	4.04	5,650	339,075
Virginia Electric & Power	4.12	9,390	591,131
Virginia Electric & Power	4.20	12,669	819,836
Virginia Electric & Power	4.80	4,400	283,875
Washington Gas Light	4.80	4,850	349,200
Wisconsin Electric Power	8.90	1,300	130,000
			<u>\$ 49,148,425</u>

STOCKS — PREFERRED — INDUSTRIAL

Aluminum Co. of America	3.75	19,285	\$ 1,200,796
AMF	3.90	4,885	327,982
Atlantic Richfield	3.75	21,310	1,309,807
Bendix (Conv.)	3.00	15,000	947,500
Carrier Corp.	4.50	23,120	942,070
Celanese Corp.	4.50	37,700	2,676,700
Cleveland Cliffs Iron	4.50	20,533	1,560,508
Continental Oil (Conv.)	2.00	3,100	112,691
Diamond Shamrock (Conv.)	1.20	50,000	756,250
E. I. Du Pont	3.50	4,025	247,598
E. I. Du Pont	4.50	3,200	237,663
Food Fair Stores	4.20	3,960	296,500
General Motors	3.75	16,300	1,058,960
General Motors	5.00	6,400	463,930
Houdaille Industries	2.25	4,000	128,000
Ideal Basic Industries (Conv.)	4.75	8,000	571,106
International Minerals & Chemical	4.00	18,200	1,125,193
International Paper	4.00	4,000	279,546
Interpace (Conv.)	5.00	11,700	671,431
Kaiser Aluminum & Chemical	4.75	48,400	1,910,478
Kaiser Cement & Gypsum (Conv.)	5.00	2,140	45,841

UNITED STATES DOLLAR SECURITIES continued

STOCKS—PREFERRED—INDUSTRIAL (cont'd)	Div. Rate	No. of Shares	Book Value
Koppers	4.00	4,150	\$ 269,880
Lear Siegler (Conv.)	2.25	11,400	453,144
Libbey Owens Ford A (Conv.)	4.75	5,000	338,186
Mead Corp. (Conv.)	2.80	11,300	437,600
Melville Shoe B	4.00	11,620	776,689
National Distillers Chemical	4.25	58,900	4,005,412
National Distillers Chemical	4.50	45,100	1,646,446
R. H. Macy	4.25	410	27,958
RCA	4.00	6,100	475,169
Reynolds Metals	4.75	41,300	1,668,026
Reynolds Metals (Conv.)	4.50	11,700	1,095,120
Scovill Manufacturing (Conv.)	2.50	3,796	167,934
Standard Oil Co. of Ohio	3.75	8,100	533,416
Sun Oil (Conv.)	2.25	15,000	717,912
TRW	4.00	190	13,140
U.S. Plywood Champion, Champion Papers	5.50	2,740	221,650
Union Oil of Calif. (Conv.)	2.50	17,500	1,161,675
Westinghouse Electric	3.80	23,250	1,534,500
			<u>\$ 32,414,407</u>

STOCKS — COMMON

	No. of Shares	Book Value
Adams-Millis	10,000	\$ 124,870
Air Reduction	138,000	3,572,675
Akzona	25,000	826,765
Alberto Culver	7,800	293,269
Alcan Aluminium	51,500	1,212,748
Allied Maintenance	19,125	485,483
Ambac Ind.	92,800	1,100,634
American Tel. & Telegraph	36,000	1,723,194
AMF	54,000	1,288,577
APL	32,000	640,341
Atlas Chemical	55,100	1,163,987
Baker Oil Tools	52,400	1,206,604
Bayer Farbenfabriken AG	332	9,144
Bendix	50,000	1,646,878
Berkey Photo	35,000	267,123
Cabot Corp.	12,000	461,014
Campbell Soup	47,600	839,722
Carborundum	26,200	1,337,458
Champion Spark Plug	30,000	834,047
Chemetron	11,220	285,345
Cluett Peabody	80,500	824,022
Continental Copper & Steel	32,000	344,000
Copperweld Steel	91,821	1,465,135
Crown Cork & Seal	99,900	1,374,261
Dresser	27,000	813,007
E.S.B.	124,800	1,283,097
Food Fair Stores	30,100	684,074
General Motors	15,000	1,195,154
Grand Union	32,000	912,859
Gulf Oil	44,000	1,272,991
Idaho Power	15,000	512,037
International Nickel (Canada)	28,000	1,080,975
International Utilities	5,000	219,060
Kaiser Aluminum & Chemical	29,000	1,118,348
Kawecki Berylco	52,015	1,312,171
Koppers	40,000	976,498
ManEquity Management	150	296,500
Marine Midland Banks	28,800	690,945
McNeil Corp.	19,800	394,960
Monsanto	23,500	790,187
Moore Corp.	40,000	486,889
National Airlines	43,000	1,269,905
Northgate Explorations	30,000	530,908
Northwest Airlines	25,000	500,016
Old Town	20,000	1
Phillips Petroleum	43,342	937,271
RCA	74,000	2,355,099
Republic Steel	38,000	1,627,192

UNITED STATES DOLLAR SECURITIES continued

STOCKS — COMMON (cont'd)

	<u>No. of Shares</u>	<u>Book Value</u>
Reynolds Metals	35,000	\$ 774,070
Seaboard Coast Line Industries	40,000	1,567,937
Sola Basic Industries	64,000	1,135,339
Standard Oil Co. of California	42,000	2,770,753
Stokely-Van Camp	35,000	879,959
Supermarkets General	8,600	258,836
Swank	6,700	126,342
Texaco	11,500	379,145
U.S. Smelting	20,600	700,271
United Aircraft	27,000	1,153,044
Universal Oil Products	9,300	266,424
Vornado	131,799	2,215,374
Western Union Int'l.	10,000	454,703
Zenith Radio	29,000	1,133,174
		<u>\$ 58,402,811</u>

WARRANTS

	<u>Warrants</u>	<u>Book Value</u>
American Tel. & Tel.	24,000	\$ 218,500
BASF AG	780	1
Bayer Farbenfabriken AG	175	0
Greyhound	2,200	1
Gulf & Western Industries	1,000	1
Old Town	40,000	1
Siemens AG	200	1
Teledyne	200	1
U.S. Smelting	6,500	69,630
		<u>\$ 288,136</u>

RIGHTS

	<u>Rights</u>	<u>Book Value</u>
U.S. Financial	1,950	\$ 1
TOTAL UNITED STATES DOLLAR STOCKS		<u>\$140,253,779</u>
TOTAL UNITED STATES DOLLAR SECURITIES		<u>\$420,869,342</u>

EURODOLLAR SECURITIES

	<u>Int. Rate</u>	<u>Maturity</u>	<u>Par Value</u>	<u>Book Value</u>
Akzo (Conv.)	4.75	1989	\$ 119,000	\$ 119,000
Amax Holdings (Gtd. American Metal Climax)	6.25	1982	100,000	90,125
American Brands Overseas N.V. (Gtd. American Brands)	8.00	1981	400,000	394,000
American Tobacco Int'l. (Gtd. American Tobacco) (Conv.)	5.25	1988	200,000	199,950
Amoco Int'l. Finance (Gtd. Standard Oil, Indiana) (Conv.)	5.50	1984	500,000	500,000
Apco Int'l. (Gtd. Apco Oil) (Conv.)	6.00	1989	600,000	600,000
Ashland Overseas Finance (Conv.)	5.00	1988	200,000	200,000

EURODOLLAR SECURITIES *continued*

	<u>Int. Rate</u>	<u>Maturity</u>	<u>Par Value</u>	<u>Book Value</u>
Atlas Copco AB	9.50	1985	\$ 400,000	\$ 395,000
BASF Overzee N.V. (Gtd. Badiache Anilin & Sota Fabrik A.G.) ...	6.00	1980	260,000	260,000
Bayer Int'l. Finance N.V. (Gtd. Farben Bayer Atkien)	6.00	1981	175,000	174,130
Beatrice Foods Overseas Finance (Gtd. Beatrice Foods)	7.25	1990	180,000	180,000
Cabot Int'l. Capital (Gtd. Cabot Corp.)	9.50	1988	150,000	148,500
Chesebrough Ponds Int'l. Capital (Gtd. Chesebrough Ponds) (Conv.)	6.25	1984	525,000	525,000
Compagnie Pechiney	9.00	1985	165,000	164,175
Continental Oil Int'l. Finance (Gtd. Continental Oil) Firestone Overseas Finance (Gtd. Firestone Tire) (Conv.)	9.50	1985	250,000	245,000
General Foods Overseas (Gtd. General Foods) (Conv.)	5.00	1988	200,000	200,000
Gulf & Western International N.V. (Gtd. Gulf Western)	4.62	1982	325,000	325,000
Hameros	6.50	1980	100,000	100,000
Int'l. Utilities Overseas Capital (Gtd. Int'l. Utilities) (Conv.)	9.50	1985	295,000	295,000
Int'l. Harvester Overseas (Gtd. Int'l. Harvester) (Conv.)	5.25	1986	315,000	315,000
I.T.T. Sheraton Finance (Gtd. I.T.T.) (Conv.) ...	5.00	1986	550,000	533,500
Komatsu Manufacturing (Conv.)	6.50	1989	200,000	200,000
Marine Midland Overseas (Gtd. Marine Midland Bank) (Conv.)	6.25	1984	250,000	250,000
Miles Int'l. (Gtd. Miles Lab.) (Conv.)	5.00	1988	325,000	320,625
Mitchelin Int'l. Development N.V. (Gtd. Generale Mitchelin)	4.75	1993	200,000	200,000
Mitsubishi Electric (Conv.)	6.00	1985	425,000	425,000
Monsanto International	7.00	1985	150,000	150,000
Murphy Oil Int'l. Finance (Gtd. Murphy Oil) (Conv.)	8.75	1985	100,000	92,250
Norwich Overseas (Gtd. Morton-Norwich Products) (Conv.)	5.00	1989	300,000	300,000
Olivetti Int'l. S.A. (Gtd. C. Olivetti Int'l. S.A.) ..	4.75	1983	60,000	60,000
Otis Elevator International Capital	9.50	1985	200,000	199,000
Owens Illinois Overseas (Gtd. Owens Illinois) (Conv.)	8.75	1985	350,000	343,000
Philips Gloeilampenfabrieken (Conv.)	5.00	1977	200,000	200,000
Plywood Champion Int'l. (Gtd. U.S. Plywood Champion) (Conv.)	4.75	1983	250,000	250,000
Siemens Western Finance (Gtd. Siemens Aktiengesellschaft)	5.25	1983	100,000	100,000
Teledyne Int'l. (Gtd. Teledyne)	5.50	1979	200,000	198,500
Texaco Operations (Europe) (Gtd. Texaco) (Conv.)	6.50	1983	200,000	200,000
Toshiba (Conv.)	4.50	1988	200,000	199,961
Transocean Gulf Oil (Gtd. Gulf Oil)	6.50	1985	100,000	93,500
TRW Overseas Capital N.V.	8.00-9.00	1984-85	400,000	396,000
U.S. Financial Overseas N.V. (Gtd. U.S. Financial)	7.25	1983	250,000	224,375
Walter Kidde Overseas Finance (Gtd. Walter Kidde) (Conv.)	9.00	1982	195,000	194,999
Warner-Lambert Int'l. Capital (Gtd. Warner-Lambert) (Conv.)	5.00	1989	257,000	257,000
W. R. Grace Overseas Development (Gtd. W. R. Grace)	4.25	1981	59,000	59,000
	5.75	1980	270,000	234,382
			<u>\$ 11,250,000</u>	<u>\$ 11,110,972</u>



POUND STERLING SECURITIES

GOVERNMENT AND GOVERNMENT GUARANTEED BONDS

	Int. Rate	Maturity	Par Value	Book Value
British Government	3.00-8.75	1975-per.	£ 41,597,485	£ 21,023,415

OTHER COMMONWEALTH

Australia	5.50-6.00	1973-80	£ 303,635	£ 258,703
Barbados	6.00	1973	25,000	24,880
Jamaica	6.75-7.75	1976-79	150,000	141,918
Rhodesia	6.00	1981	25,000	7,000
			<u>£ 503,635</u>	<u>£ 432,501</u>

INTERNATIONAL BANK

Inter-American Development Bank	5.50	1984	£ 12,000	£ 10,268
International Bank for Recon. & Dev.	5.00	1982	231,000	186,373
			<u>£ 243,000</u>	<u>£ 196,641</u>

MUNICIPAL BONDS

United Kingdom			<u>£ 105,633</u>	<u>£ 98,861</u>
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TRANSPORTATION BONDS

Britania Tankers	6.37	1971-84	£ 549,882	£ 548,258
Canadian Pacific Railway	4.00	Perpetual	6,434,903	3,884,712
Clyde Charter	6.37	1971-83	87,932	87,932
E.T.R. Tankers	6.75	1971-79	86,926	86,926
Jacobs (John I.)	6.50	1971-74	60,000	60,000
Jacobs & Partners	6.50	1971-80	118,750	118,750
New Brunswick Railway (Gtd. C.P.R.)	4.00	Perpetual	60,800	35,091
Ontario & Quebec Railway (Gtd. C.P.R.)	5.00	Perpetual	169,552	128,803
Radcliffe Tankers	7.25	1971-86	105,000	105,000
Tanker Charter	6.50	1971-82	594,673	592,532
Tankship Finance (U.K.)	6.75	1983	86,212	86,212
			<u>£ 8,354,630</u>	<u>£ 5,734,216</u>

PUBLIC AUTHORITY BONDS

Port of London Authority	3.50	1975	£ 64,500	£ 43,612
Tees & Hartlepoons Authority	3.75	1990	77,900	53,962
			<u>£ 142,400</u>	<u>£ 97,574</u>

INDUSTRIAL BONDS

Acrow (Engineers)	6.00	1980	£ 7,500	£ 6,833
African Explosives & Chemical Ind. (Gtd. DeBeers Cons. & ICI)	4.50	1973	500,000	425,000
Alcan Aluminium (U.K.)	10.50	1994	155,000	154,135
Alcan Industries	6.00	1983	83,333	82,498
Anglo-Transvaal Ind.	6.50	1971-75	48,315	47,102
Assoc. British Foods	7.25	1993	70,000	49,301
Assoc. Electrical	6.75	1991	67,500	45,191
Associated Engineering	11.00	1996	92,500	23,172
Associated Portland Cement Manufacturers	10.25	1999	87,500	52,565
Ayrshire Metal Products	7.50	1991	75,000	72,000
Berger Jenson & Nicholson	7.75	1991	120,500	110,966
Birfield	7.50	1991	112,500	95,900
Birmid-Qualcast	7.50	1992	70,000	50,827
Bland (John)	5.50	1976	12,500	11,190

POUND STERLING SECURITIES continued

INDUSTRIAL BONDS (cont'd)

	Int. Rate	Maturity	Par Value	Book Value
Booth (James) Aluminium	7.75	1991	£ 50,000	£ 49,000
Bowater Paper	7.00	1992	70,000	53,797
British Aluminium	3.00	1988	100,000	64,537
British Leyland Motor	7.50	1992	65,000	47,424
British Oxygen	11.00	1992	200,000	50,168
British Petroleum	5.00	1978	43,000	35,853
Brown & Polson (Gtd. Corn Products Refining)	5.75-7.50	1971-90	133,125	132,546
Brown Bros. & Albany Conv.	8.50	1995	50,000	50,000
Cadbury Schweppes	7.50	2004	100,000	73,883
Caltex (U.K.)	6.00	1976	50,000	49,000
Carpets Int'l.	7.25	1997	30,000	20,898
Cementation	6.50-6.75	1971-82	117,500	99,100
Chloride Electrical Storage	7.12	1990	40,000	28,152
Clark (C. & J.)	6.50	1976	50,000	50,000
Clutson Penn. International	7.50	1991	22,500	22,050
Conoco	7.50-8.00	1993-94	200,000	152,220
Courage	10.50	1995	240,000	240,000
Courage Conv.	9.50	1995	75,000	75,000
Delta Metal	4.25-10.25	1976-99	81,700	81,337
Eastwood (J. B.)	10.50	1999	50,000	49,000
Electrical & Musical Inds.	7.00	1992	150,000	103,155
English Calico	6.75	1990	42,500	28,568
European Ferries	8.00	1982	70,000	70,000
G. B. Britton & Sons	9.75	1995	50,000	45,908
General Electric	4.00	1980	36,075	24,624
Guest Keen & Nettlefolds (U.K.)				
(Gtd. Guest Keen & Nettlefolds)	10.50	1995	150,000	37,500
Hawtin (Conv.)	8.50	1993	100,000	100,000
Hepworth Ceramic Holdings (Conv.)	11.00	1976	16,000	16,000
House of Fraser	8.25	1998	60,000	47,046
Imperial Chemical Industries	4.75-10.75	1974-96	663,000	315,417
Imperial Metal	7.25-7.75	1991-93	110,000	79,683
Imperial Tobacco Group	4.00-10.50	1974-95	290,000	237,104
International Distillers & Vintners	4.75	1975	20,000	15,732
Kent (George)	8.00	1993	100,000	77,970
Kirkstall Forge Engineering	9.75	1996	80,000	78,687
Laporte	10.25	1999	50,000	49,259
Lucas (Joseph)	7.75	1988	50,000	37,965
Mather & Platt	10.50	2000	40,500	40,714
Melbray Group	7.25	1991	45,000	38,047
Mitchell Cotts	6.00	1981	40,000	37,824
Mobil Shipping (Gtd. Socony Mobil Oil)	4.75	1971-74	364,970	340,267
Murgatroyd's Salt & Chemical				
(Gtd. Fisons & Distillers)	7.25	1991	100,000	99,500
Norvic Shoe	7.25	1988	47,500	46,573
Nuwara Eliya Holdings	6.50	1974	4,100	3,177
Phillips Finance (Gtd. Phillips N.V.) (Conv.)	5.75	1994	100,000	100,000
Phillips Patents	6.62	1976	50,000	50,000
Pirelli General Cable Works	7.00	1991	30,000	20,805
Prinmar (Gtd. Electrical & Musical Ind.)	7.00	1983	185,625	185,625
Proctor & Gamble (U.K.)	7.87	1993	50,000	49,750
Rank Organization	5.00	1975-76	185,000	125,856
Ranks Hovis McDougall	5.75-6.00	1981-88	80,000	59,729
Rediffusion	5.50	1978	54,500	43,885
Reed International	6.75	1992	35,000	23,226
Rowntree	5.00	1971	5,000	4,524
Smiths Industries	6.00-10.75	1988	163,000	129,124
Stevinson Hardy	7.00	1971-81	167,025	166,148
Stone Platt	6.25	1989	40,000	25,420
The Burton Group	6.50	1992	25,000	16,519
Thorn Electrical	6.50	1989	25,000	16,442
Truman Hanbury Buxton	10.25	1996	20,000	19,899
Turner & Newall	9.10-10.75	1995-2000	105,000	45,091
Unigate	5.75	1988	25,000	15,889
United Shoe Machinery (Gtd. U.S.M.)	9.00	1982	100,000	85,025
Vauxhall Motors	6.00	1977	50,000	49,500
Wolseley-Hughes	10.00	1995	75,000	75,000
			<u>£ 7,519,768</u>	<u>£ 5,928,822</u>

POUND STERLING SECURITIES continued

REALTY BONDS	Int. Rate	Maturity	Par Value	Book Value
Land Securities Investment Trust	8.50	1997	£ 100,000	£ 80,693
Metro Railway Surplus Land	6.25-6.50	1991	80,000	50,644
Trust House Forte	6.10	1988	180,000	120,539
			<u>£ 360,000</u>	<u>£ 251,876</u>

FINANCE BONDS				
British American Tobacco Investments (Conv.) ..	9.50	1995	£ 75,000	£ 75,000
British American Tobacco Investments	10.50	1995	133,500	133,500
			<u>£ 208,500</u>	<u>£ 208,500</u>

MISCELLANEOUS BONDS				
Amalgamated Securities	9.75	1995	£ 80,000	£ 79,599
Carver (J. A. R.)	9.00	1993	50,000	50,000
Charterhouse Group	7.00	1991	70,000	48,335
Commonwealth Development Finance	5.50-7.25	1986-88	70,500	68,728
Findhorn Finance	8.50	1991	40,000	40,000
First National Finance (Conv.)	8.00	1980	50,000	50,000
Industrial & Commercial Finance	5.50	1982	25,000	24,375
Insurance Export Finance	6.50	1978	80,054	80,054
Lansing Bagnall Group	8.00	1991	100,000	100,000
Star (Great Britain) Holdings (Conv.)	6.50	2003	75,000	75,000
Stock Exchange London	7.25	1995	50,000	35,402
Telephone & General Trust	4.50	1983	25,000	20,250
			<u>£ 715,554</u>	<u>£ 671,743</u>

TOTAL POUND STERLING BONDS	
	<u>£ 59,750,605</u>
	<u>£ 34,644,149</u>

STOCKS — PREFERRED	No. of Shares	Book Value
Manufacturers Life Insurance (U.K.)	250,000	£ 250,000

STOCKS — COMMON		
Ada (Halifax)	688,500	£ 98,882
Aerialite	155,500	71,077
Allied Breweries	90,000	70,566
Associated Portland Cement	41,000	92,356
B H D Engineers	90,000	188,379
Barclays Bank	30,000	116,233
Barclays Securities	41,386	33,109
Brierleys Supermarkets	80,000	63,564
British American Tobacco	21,000	124,845
British Petroleum	27,500	138,179
British Shoe	50,000	64,247
Brown (John)	92,500	210,229
Brown Bros. & Albany	20,000	20,853
Burton Group	130,000	186,472
Coalite & Chemical Products	320,000	142,929
Consolidated African Selection Trust	33,000	63,732
Courage	90,000	74,663
Courtaulds	250,000	266,113
Electric & Musical Industries	57,500	138,376
Felixstowe Dock and Railway	47,500	121,650
Findhorn Finance	7,500	6,937
First National Finance	85,000	159,311
Fosco Minsep	125,000	214,767
General Electric & English B	205,000	208,693
Grand Metropolitan Hotels B	150,000	164,381
Guinness (Arthur) & Sons	110,000	140,331
Hawtin Industries	181,500	60,944
Hepworth Ceramic Holdings	490,000	147,369
Hewden Stuart Plant	125,000	77,047
Imperial Chemical Industries	125,000	409,578
Imperial Tobacco Group	112,500	84,514
Insurance Export Finance	225	1
Kode International	37,500	44,218
Laing, John & Son	5,000	7,209
Laing, John & Son A	20,000	27,566
Lead Industries	179,000	193,064
London & Northern Securities	210,000	169,860
Lyle Shipping	25,000	31,758
Lyons (J.) A	57,500	210,117

POUND STERLING SECURITIES continued

STOCKS — COMMON (cont'd)

	<u>No. of Shares</u>	<u>Book Value</u>
Manufacturers Life Insurance (U.K.)	250,000	£ 200,000
Mather & Platt	210,000	158,074
National Carbonising	56,000	46,211
Normand Electrical Holdings	20,000	11,957
Nottingham Manufacturing	10,000	24,396
Nottingham Manufacturing A	50,000	120,721
Nurdin & Peacock	100,000	112,871
P. & O. Steam Navigation	110,000	203,912
Peachey Property	150,000	78,463
Plessey	100,000	192,708
Press (William)	250,000	190,586
Rentokil Group	142,500	98,642
Rio Tinto Zinc	80,000	126,306
Scragg (Ernest)	200,000	163,171
Selection Trust	18,500	198,897
Sharpe (W. N.)	70,000	46,779
Sharpe (W. N.) A	30,000	17,435
Shell Transport & Trading	45,000	84,060
Slater Walker Securities	95,000	248,686
Standard Tyre	65,000	58,606
Star (Great Britain) Holdings	12,500	15,545
Steel Group	175,000	145,375
Stibbe (G.)	47,500	37,561
Swan Hunter	200,000	292,930
Tesco Stores Holdings	341,250	29,308
Thorn Electrical Industries	10,000	19,769
Unilever	45,000	118,743
Universal Grinding	150,000	194,095
Whitbread A	375,000	198,518
		<u>£ 8,078,444</u>
TOTAL POUND STERLING SECURITIES		<u><u>£ 42,972,593</u></u>



SOUTH AFRICAN RAND SECURITIES

SOUTH AFRICAN GOVERNMENT BONDS	Int. Rate	Maturity	Par Value	Book Value
	5.00-6.50	1974-94	SAR 3,995,131	SAR 3,946,567
SOUTH AFRICAN MUNICIPAL BONDS			SAR 3,801,980	SAR 3,693,985
PUBLIC UTILITY BONDS				
South African Gas Dist. (Gtd. Sasol & I.D.C.)	6.50	1976-80	SAR 300,000	SAR 300,000
PUBLIC AUTHORITY BONDS				
Electricity Supply Commission	3.00	1974-91	SAR 10,495,200	SAR 10,196,147
Rand Water Board	4.62-5.62	1975-84	2,355,000	2,307,978
			SAR 12,850,200	SAR 12,504,125
INDUSTRIAL BONDS				
African Explosives & Chemical Industries	6.00	1984	SAR 431,100	SAR 431,100
African Oxygen	8.75	1995	1,000,000	790,000
Barlow (Thos.) & Sons	8.25	1981	1,000,000	970,267
Berg River Textiles	8.00	1973-87	50,000	50,000
Cargo Motor Holdings	8.50	1988	250,000	245,000
Consolidated Stone Crushers (Gtd. Rand Mines)	9.50	1974-78	450,000	450,000
Currie Motors (1946)	6.50-8.50	1971-88	117,500	117,499
East Rand Engineering	6.75	1974-83	30,000	29,650
Galaxy Prop. (Gtd. S.A. Breweries)	9.50	1981-2000	80,000	76,000
Imperial Chemical Ind. (S.A.) (Gtd. Imperial Chemical Ind.)	6.00	1971-73	600,000	600,000
Labor Construction (Pty.)	8.50	1971-77	70,000	70,000
Nasionale Misstowne (Edms) Beperk	7.00	1971-78	80,000	78,400
National Chemical Products	7.50	1971-85	500,000	500,000
O.K. Bazaars	7.50-9.80	1972-91	575,000	325,000
Pfizer Laboratories S.A. (Pty.) (Gtd. Pfizer & Pfizer S.A. (Pty.))	7.75	1971-85	1,500,000	1,500,000
Plate Glass & Shatter Prufe Industry	7.00-8.50	1972-73	410,400	410,400
Premier Metal Company of South Africa	8.50	1988	250,000	245,000
Robor	8.50	1972	1,000,000	998,882
S.M. Van Achterberch	10.50	1978-91	1,200,000	500,000
South African Associate Newspapers	6.75	1971-86	110,000	109,450
South African Board Mills	6.00	1975	179,820	171,992
South African Breweries	5.25	1971	44,000	40,699
South African Coal & Gas (Gtd. Industrial Development Corp.)	7.50	1987	180,000	172,125
South African Titan Products (Gtd. British Titan Products)	6.00	1971-74	57,142	56,310
Stellenbosch Farmers Wine Trust	6.00	1971	20,000	19,075
Stewarts & Lloyds (S.A.)	7.50	1975-84	125,000	125,000
Suzman (L.)	7.75	1971-90	320,000	320,000
Waveside (Pty.)	8.50	1971-87	620,000	620,000
Wiggins Teape (Pty.) (Gtd. Wiggins Teape Ltd. of U.K.)	9.50	1981-85	1,000,000	1,000,000
Williams Hunt S.A.	6.00	1978	51,800	48,692
Wire Industries Steel Prod. & Eng.	8.00	1978-87	600,000	574,500
			SAR 12,901,762	SAR 11,645,041

SOUTH AFRICAN RAND SECURITIES continued

	<u>Int. Rate</u>	<u>Maturity</u>	<u>Par Value</u>	<u>Book Value</u>
REALTY BONDS				
Amalgamated Hotels (Gtd. Standbank Dev. & Stand Bank of S.A.)	8.25	1979-88	<u>SAR 500,000</u>	<u>SAR 500,000</u>
FINANCE BONDS				
Ausmay Trust Pty.	8.50	1983	SAR 130,000	SAR 130,000
Edgars Stores (Gtd. Netherlandbank of S.A.)	6.75-8.50	1971-75	2,350,000	2,349,250
Koppel Engineering (Gtd. Goldfields Ind. & Hambros Bank)	10.00	1973	400,000	400,000
Nefic (Gtd. Netherlands Bank of S.A.)	5.25	1972	1,000	871
S.A. Permanent Bldg. Society	7.00	1971	150,000	145,500
Standard Bank Development (Gtd. Standard Bank S.A.)	6.50	1975	500,000	500,000
United Building Society	7.00	1971	350,000	339,500
			<u>SAR 3,881,000</u>	<u>SAR 3,865,121</u>
MISCELLANEOUS BONDS				
Edstaff (Gtd. Netherlands Bank of S.A.)	9.00	1971-74	SAR 1,300,000	SAR 1,300,000
National Board of Executors	11.00	1971	400,000	400,000
Power Steel Holdings	8.00	1971-75	150,000	148,629
Protea Holdings	7.75	1976-80	75,000	74,625
			<u>SAR 1,925,000</u>	<u>SAR 1,923,254</u>
TOTAL SOUTH AFRICAN RAND BONDS			<u>SAR 40,155,073</u>	<u>SAR 38,378,093</u>
STOCKS — COMMON			<u>No. of Shares</u>	<u>Book Value</u>
African Oxygen			75,000	SAR 100,330
Anglo American Corp. of S.A.			6,000	37,558
Anglo American Industrial A			4,100	23,709
Asea Electric South Africa			13,800	21,768
Bonus Investment Corp. of S.A.			77,200	49,245
Consolidated Glass Works			13,800	24,700
Delfos & Atlas Capco (Pty.)			10,000	10,000
Everite			21,900	62,994
Federale Mynbou Beperk			6,900	17,273
Federated Stores			42,900	114,479
Gaydon Southern Holdings			27,500	23,375
General Mining & Finance			7,000	97,189
Manulife Accumulator Fund			111,556	95,719
Metkor Investments			207,400	117,233
Natal Consol. Ind. Investments			39,000	125,259
National Amal. Packaging			66,660	89,136
National Discount House of S.A.			7,500	37,500
Norman Bank Gillis-Mason			13,800	13,478
Norman Bank Gillis-Mason B			27,200	19,646
O.K. Bazaars (1929) A			10,700	78,965
Otis Elevators			5,000	15,195
Plate Glass & Shatterprufe Industries			116,200	336,980
Premier Metal of S.A.			70,000	65,578
Premier Milling			50,000	120,925
S.A. Pulp & Paper Industries			30,800	70,668
S.A. Associated Newspapers			7,300	30,926
S.A. Marine			44,100	76,270
Sentrachem			115,200	107,329
Stafford Meyer			61,700	102,605
Tongaat Group			10,000	30,250
Unisec			65,896	37,729
Volkscas			51,300	150,244
Williams Hunt			38,400	49,761
TOTAL SOUTH AFRICAN RAND STOCKS				<u>SAR 2,354,016</u>
TOTAL SOUTH AFRICAN RAND SECURITIES				<u>SAR 40,732,109</u>



OTHER STERLING AREA SECURITIES

	Int. Rate	Maturity	Par Value	Book Value	Canadian Dollar Equivalent
<i>East Caribbean Dollars</i>					
Barbados	3.25-7.75	1972-90	2,059,150	1,943,409	\$ 1,049,442
Guyana	6.00	1979	50,000	50,000	27,000
St. Vincent	3.50	1971-75	56,000	44,270	23,906
Barbados Telephone	7.50	1982	300,000	300,000	162,000
Bulkeley Factory	5.50	1976	8,800	6,494	3,507
Barbados Light & Power	5.50	Preferred	1,432 Shs.	4,674	2,524
Barbados Shipping & Trading	6.00	"	2,495 Shs.	8,605	4,647
Barbados Telephone	5.00	"	1,000 Shs.	2,958	1,597
Barbados Light & Power		Common	16,484 Shs.	72,373	39,080
Barbados Shipping & Trading		"	215,501 Shs.	267,600	144,504
Barbados Telephone		"	9,229 Shs.	25,740	13,900
Caribee Hotels		"	4,262 Shs.	27,262	14,721
					<u>\$ 1,486,828</u>
<i>Australian Dollars</i>					
Comalco	8.50	1990	60,000	60,000	\$ 67,200
Lysaght (John) (Aust.)	9.00	1995	100,000	100,000	112,000
Myer Emporium	7.20	1980	60,000	55,782	62,476
General Motors Acceptance Corp. of Aust. (Gtd. GMAC)	6.50-7.00	1971	1,000,000	1,000,000	1,120,000
Australian Guarantee		Common	13,750 Shs.	26,570	29,758
Bank of New South Wales		"	10,000 Shs.	62,489	69,988
Brambles		"	44,000 Shs.	91,320	102,278
British Tobacco (Australia)		"	15,000 Shs.	44,947	50,341
Broken Hill Pty.		"	5,000 Shs.	77,472	86,769
Carlton & United Breweries		"	20,000 Shs.	73,299	82,095
Carpenter W. R. Holdings		"	15,000 Shs.	35,515	39,777
Comalco		"	10,000 Shs.	39,239	43,948
Conzinc Rio Tinto of Australia		"	9,400 Shs.	129,373	144,898
Dunlop Australia		"	30,000 Shs.	48,828	54,687
Elder Smith Goldsbrough Mort.		"	30,000 Shs.	74,744	83,713
Email		"	24,000 Shs.	20,981	23,499
Hooker		"	50,000 Shs.	56,456	63,231
Jennings A. V. Ind. (Aust.)		"	46,200 Shs.	53,675	60,116
Myer Emporium		"	30,900 Shs.	119,719	134,085
News		"	10,000 Shs.	24,952	27,946
Peko Wallsend		"	4,400 Shs.	47,154	52,812
Thomas Nationwide Transport		"	32,200 Shs.	68,653	76,892
Waltons		"	50,000 Shs.	51,825	58,044
Western Australia Capital Investments		"	200,000 Shs.	200,000	224,000
Western Mining		"	8,000 Shs.	102,327	114,606
Australian Guarantee		"	1,320 Rts.	302	338
					<u>\$ 2,985,497</u>
<i>Jamaican Dollars</i>					
Jamaica	6.50-7.00	1976-89	1,630,000	1,544,178	\$ 2,007,430
Jamaica Land Bonds	6.50-8.00	1983-90	1,509,900	1,275,329	1,657,927
Clarendon College (Gtd. Jamaica) ..	5.00	1971-75	12,500	11,533	14,993
Mannings School (Gtd. Jamaica)	5.00	1971-74	7,120	6,607	8,589
New Kingston Hotel (Gtd. Jamaica) ..	7.00-8.00	1981-87	520,000	519,116	674,851
Jamaica Public Service	3.50-7.00	1971-85	625,186	553,894	720,062
Jamaica Telephone	6.00-7.50	1978-82	340,000	328,000	426,400
Salada Foods Jamaica	8.00	1987	62,000	60,382	78,497

OTHER STERLING AREA SECURITIES *continued*

	Int. Rate	Maturity	Par Value	Book Value	Canadian Dollar Equivalent
<i>Jamaican Dollars continued</i>					
West Indies Pulp & Paper	9.75	1980	50,000	50,000	65,000
Pan Jamaican Investment Trust	8.75	1983	30,000	29,700	38,610
Medical Associates A.	10.00	1982	35,000	35,000	45,500
Medical Associates Conv. B	10.00	1982	35,000	35,000	45,500
Hardware & Lumber	10.00	1987	25,000	20,670	26,871
Jamaica Public Service	5.00	Preferred	11,000 Shs.	12,685	16,491
Jamaica Public Service	7.00	"	7,200 Shs.	11,520	14,976
Bank of Nova Scotia Jamaica		Common	10,000 Shs.	34,656	45,053
Bryden & Evelyn Group		"	20,000 Shs.	14,042	18,225
Caribbean Cement		"	30,000 Shs.	29,440	38,272
Desnoes & Geddes		"	20,000 Shs.	31,264	40,643
Industrial Commercial Developments		"	10,000 Shs.	11,705	15,217
Jamaica Flour Mills		"	25,000 Shs.	33,602	43,683
Jamaica Public Service		"	270,000 Shs.	87,079	113,203
Kingston Industrial Works		"	25,000 Shs.	10,341	13,443
New Kingston Hotel		"	2,100 Shs.	26	34
West Indies Glass		"	14,700 Shs.	34,476	44,819
Western Terminals		"	41,000 Shs.	22,864	29,723
					<u>\$ 6,244,042</u>
<i>Ceylon Rupees</i>					
Ceylon Treasury Bill		1971	2,850,000	2,816,085	\$ 506,895
Ceylon	3.00-9.00	1971-77	6,635,000	6,560,922	1,180,966
Hong Kong & Shanghai Bank	4.50-5.00	1971	3,250,000	3,250,000	531,000
Ceylon Investment	7.50	1975-78	300,000	300,000	54,000
					<u>\$ 2,272,861</u>
<i>Cyprus Pounds</i>					
Cyprus Development Bank		Common	4,460 Shs.	2,973	<u>\$ 7,730</u>
<i>East African Shillings</i>					
Kenya	5.50-6.50	1974-80	2,200,000	2,089,751	\$ 292,565
Nairobi	4.75-6.50	1974-78	1,100,000	1,091,560	152,818
					<u>\$ 445,384</u>
<i>Rhodesian Dollars</i>					
Rhodesia	3.50-6.00	1971-78	1,825,770	1,802,776	\$ 2,523,887
Bulawayo	3.25-5.50	1971-80	87,200	84,840	118,776
Salisbury	3.25-5.77	1971-79	273,980	259,958	363,941
Barries Stores (Pvt.) (Gtd. Netherlands Bank of S.A.)	6.75	1971-75	150,000	149,250	208,950
Discount Co. of Rhodesia (Pvt.)		Common	7,500 Shs.	4,250	5,950
					<u>\$ 3,221,504</u>
<i>Zambian Kwacha</i>					
Zambia	5.25-5.75	1971-75	507,600	507,006	\$ 709,808
Zambia Sugar (Gtd. Tate & Lyle) (Conv.)	8.50	1982-86	100,000	100,000	140,000
					<u>\$ 849,808</u>
TOTAL OTHER STERLING AREA SECURITIES					<u><u>\$17,513,654</u></u>



OTHER FOREIGN CURRENCY SECURITIES

	Int. Rate	Maturity	Par Value	Book Value	Canadian Dollar Equivalent
<i>Cuban Pesos</i>					
Cuba	4.00-4.50	Perpetual	1,475,000	1,168,804	\$ 292,201
<i>Dominican Pesos</i>					
Banco de Credito (Gtd. Dom. Govt.)	5.00	1988	29,000	29,000	\$ 29,000
Banco Nacional de la Vivienda (Gtd. Dom. Govt.)	5.00	1973-74	600	600	600
					\$ 29,600
<i>Egyptian Pounds</i>					
Egypt	3.50-5.00	1972-73	423,030	313,556	\$ 780,754
Cairo Electric Rlwys. & Heliopolis					
Oases	4.25	1956-73	5,780	4,436	11,046
Credit Foncier Egyptien	3.50	1977	7,500	5,800	14,442
					\$ 806,242
<i>Israeli Pounds</i>					
Israel		1971-79	4,232,475	3,486,505	\$ 1,080,846
Israel (\$ linked)	2.50-4.00	1971-77	40,100	27,286	8,458
Israel (\$ linked)	6.00	1974-75	396,177	340,205	105,462
Zim Israel Navigation (\$ linked)	6.50	1977	500,000	500,000	155,000
Israel Electric (\$ linked)	6.00	1985	173,490	161,770	50,149
Dead Sea Works (\$ linked)	5.00	1980	1,309,603	1,193,192	369,890
Dead Sea Works (Conv.) (\$ linked)	5.00	1987	752,499	592,108	183,553
Otsar La-Taasiya	5.50	1987	15,000	14,625	4,534
Bank Leumi Le-Israel B.M. (Conv.)	8.00	1971-80	500,000	479,950	148,785
Bank Guaranteed Loans					
Bank Hapoalim		1971-76	2,471,425	2,346,382	727,375
Bank Leumi		1971-79	800,000	759,429	235,422
Barclays Bank D.C.O.		1971-78	3,400,000	3,104,873	1,024,517
Israeli Discount Bank		1971-72	160,000	154,330	47,842
Union Bank of Israel		1971-73	450,000	448,913	139,163
Eastronics Marketing (1966)	15.50	1971-72	200,000	199,621	61,883
General Mortgage Bank (\$ linked)	6.00	1975	136,304	95,388	29,570
General Mortgage Bank	5.50	1987	45,000	43,875	13,600
Hevrat Mishkei Thuat Hanoshavin ..	16.00	1971-77	350,000	350,000	108,500
Bank Leumi Investment	5.50	1986-87	30,000	29,626	9,181
Bank Leumi Investment (\$ linked) ..	6.00	1973	69,766	39,608	12,278
Bank Leumi Investment (Conv.)	8.00	1980	50,000	42,665	13,226
Argaman Textile	8.00	1987	3,125	19,250	5,968
Delek Israel Fuel		Common	40,000 Shs.	41,200	12,772
Alliance Tire & Rubber		"	4,000 Shs.	116,213	36,026
American-Israeli Paper Mills		"	50,000 Shs.	71,997	22,319
Argaman Textile		"	6,250 Shs.	36,500	11,315
Ata Textile B		"	3,900 Shs.	35,880	11,123
Ata Textile C		"	65,000 Shs.	56,014	17,364
Bank Leumi Investment		"	102,082 Shs.	135,152	41,897
Bank Leumi Le-Israel		"	79,794 Shs.	131,063	40,630
Discount Bank Investment		"	5,000 Shs.	32,150	9,967
G. U. S. Taasiyot		"	2,800 Shs.	18,195	5,640
General Mortgage Bank		"	12,500 Shs.	90,455	28,041
Israel Land Development		"	28,600 Shs.	19,162	5,940
Mehadrin		"	30,500 Shs.	27,755	8,604
Tefahot Israel Mortgage Bank		"	10,150 Shs.	130,935	40,590
					\$ 4,827,432

OTHER FOREIGN CURRENCY SECURITIES continued

	<u>Int. Rate</u>	<u>Maturity</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Canadian Dollar Equivalent</u>
<i>Philippine Pesos</i>					
Philippine Treasury Bill		1971	1,600,000	1,562,290	\$ 406,195
Philippines	6.00-11.75	1973-83	650,000	650,000	169,000
Allied Thread (Gtd. English Calico)	11.00	1975-80	1,500,000	1,500,000	390,000
General Electric (P.I.) (Gt. Gen. Elec.)	9.00	1971-81	1,900,000	1,900,000	494,000
P. & G. Philippine Mfg.	8.25- 9.50	1974-85	3,000,000	3,000,000	780,000
P. & G. Philippine Mfg. (Gtd. Procter & Gamble)	5.25	1972	500,000	500,000	130,000
Philippine Electric Mfg. (Gtd. General Electric)	11.50	1975-84	2,000,000	2,000,000	520,000
Philippine Refining (Gtd. Unilever)	6.00- 7.00	1971-73	1,207,000	1,205,901	313,535
San Miguel	11.75	1971-73	300,000	300,000	78,000
Shell Co. of the Philippines (Gtd. Shell Refining Phil.)	8.00-10.00	1972-82	2,500,000	2,500,000	650,000
Winthrop-Stearns (Gtd. Sterling Drug)	6.50	1971-80	500,000	500,000	130,000
					<u>\$ 4,060,730</u>
<i>Surinam Guilders</i>					
Surinam	4.50- 5.50	1971-82	235,058	234,713	\$ 132,581
De Surinaamsche Bank	4.00- 4.75	1971-72	715,000	715,000	421,850
					<u>\$ 554,431</u>
TOTAL OTHER FOREIGN CURRENCY SECURITIES					<u><u>\$10,570,636</u></u>

BRANCH OFFICES, AGENCIES AND SERVICE OFFICES

CANADA

BRANDON, MAN.	109-11 Hughes Bldg.	L. C. Chambers, C.L.U., Branch Manager
CALGARY 1, ALTA.	Suite 950, 550-6th Ave. S.W.	T. Oldford, C.L.U., Branch Manager
CALGARY 1, ALTA.	Suite 560, 355-4th Ave. S.W.	J. M. Kosianic, Branch Manager
EDMONTON 15, ALTA.	926 Centennial Bldg., 10015-103rd Ave.	C. W. Lees, Branch Manager
GUELPH, ONT.	89 Wyndham St. N.	R. B. Aubrey, C.L.U., Branch Manager
HALIFAX, N.S.	6024 Quinpool Road	L. T. Goucher, C.L.U., Branch Manager
HAMILTON 10, ONT.	20 Jackson St. W.	J. P. Haverty, C.L.U., Branch Manager
KELOWNA, B.C.	Suite 201, 1583 Ellis St.	F. Keith Clarke, Branch Manager
KINGSTON, ONT.	279 King St. E.	J. A. Scott, C.L.U., Branch Manager
LONDON 12, ONT.	Toronto Dominion Bank Bldg., Richmond and King Sts.	F. W. Grant, C.L.U., Branch Manager
OSHAWA, ONT.	Suite 214E, Oshawa Shopping Centre, King St. W.	D. R. Hildreth, Branch Manager
OTTAWA 4, ONT.	Suite 305, 131-151 Sparks St.	J. S. Phillips, Branch Manager
PRINCE GEORGE, B.C.	444 Victoria St., Ste. 280	J. W. Glans, C.L.U., Branch Manager
RED DEER, ALTA.	5th Floor, Professional Bldg. 4808 Ross St.	D. S. Poxon, Branch Manager
REGINA, SASK.	1670 Avord Towers, 2002 Victoria Ave.	R. S. Burns, Branch Manager
SAINT JOHN, N.B.	61 Union St.	G. D. MacKenzie, C.L.U., Branch Manager
SASKATOON, SASK.	Suite 1004, Canadian Imperial Bank of Commerce Bldg., 201-21st St. W.	J. B. Allan, Branch Manager
ST. JOHN'S, Nfld.	Royal Trust Bldg., Seventh Floor, Water St.	O. G. L. Antle, Branch Manager
SUDBURY, ONT.	127 Cedar St., Suite 602	M. S. Patterson, Branch Manager
THUNDER BAY, ONT.	104 South Syndicate Ave.	D. E. Berglund, Branch Manager
TORONTO 110, ONT.	Suite 1202, 101 Richmond St. W.	J. E. Kerns, C.L.U., Branch Manager
TORONTO 195, ONT.	Suite 1200, 95 St. Clair Ave. W.	J. M. McRoberts, Branch Manager
TORONTO 210, ONT.	Suite 1306, National Trust Bldg., 7 King St. East	W. R. Craib, C.L.U., Branch Manager
TORONTO 210, ONT.	7th Floor, 20 Toronto St.	H. K. Balfour, C.L.U., Branch Manager
TORONTO 285, ONT.	Suite 611, 250 Bloor St. E.	R. A. Fraser, Branch Manager
TORONTO 354, ONT.	25 Overlea Blvd., Unit 6	P. E. Leonard, Branch Manager
TORONTO, ONT.	Suite 202, 2901 Bayview Ave., Willowdale 432	D. J. Hancock, Branch Manager
VANCOUVER 1, B.C.	Suite 2050, Guinness Tower, 1055 West Hastings St.	C. B. Bertram, C.L.U., Branch Manager
VANCOUVER 1, B.C.	905 West Pender St.	G. B. Gauer, Branch Manager
WINDSOR 12, ONT.	500 Riverside Dr. W., Canada Sq.	J. Osborne, C.L.U., Branch Manager
WINNIPEG 2, MAN.	1224 Richardson Bldg., One Lombard Pl.	M. Lomow, Branch Manager
WINNIPEG 2, MAN.	305 Dayton Bldg.	R. E. Henderson, C.L.U., Branch Manager

Province of Quebec

PRINCIPAL OFFICE	1140 De Maisonneuve Blvd., Montreal 110, Que.	J. A. Y. Habel, Superintendent for Quebec
BRANCHES:		
MONTREAL 110, QUE.	4th Floor, 2015 Peel St.	A. L. Townson, Branch Manager
MONTREAL 101, QUE.	Suite 1660, 630 Dorchester Blvd., W.	Robert Perrier, C.L.U., Branch Manager
MONTREAL 351, QUE.	Suite 924, 50 Place Cremazie	R. Cartier, Branch Manager
QUEBEC 4, QUE.	100 Rue d'Youville	G. H. A. Martin, C.L.U., Branch Manager
SHERBROOKE, QUE.	Suite 604, 25 Wellington St. N.	J. M. Sarrasin, Branch Manager

Central Service Offices

BRITISH COLUMBIA	Ste. 740, 777 Hornby St., Vancouver 1, B.C.	A. W. Laidlaw, Secretary
MANITOBA	305 Dayton Bldg., Winnipeg 2, Man.	L. R. Fulmore, Supervisor
SOUTHERN ALBERTA	Suite 620, 110 Twelfth Ave. S.W., Calgary 3, Alta.	J. R. Seedhouse, F.L.M.I., Manager/Admin.
TORONTO	200 Bloor St. E., Toronto 285, Ont.	J. Wagstaffe, Secretary

UNITED STATES

ATLANTA, GA., 30303	Suite 1414, First National Bank Tower, 2 Peachtree St.	R. E. Penny, Jr., C.L.U., Branch Manager
BALTIMORE, MD., 21201	8th Floor, One Charles Centre	Percy W. Schall, Jr., Branch Manager
BOISE, IDAHO, 83704	Suite 255, Clint-Graham Center, 1365 N. Orchard	E. U. Caron, Jr., Branch Manager
BOSTON, MASS., 02110	13th Floor, 140 Federal St.	W. W. Fenniman, C.L.U., Branch Manager
CHICAGO, ILL., 60602	Brunswick Bldg., 69 West Washington St.	L. Vranek, Branch Manager
CINCINNATI, OHIO, 45202	Suite 960, Formica Bldg., 100 East 4th St.	K. J. Schulteis, Branch Manager
CLEVELAND, OHIO, 44115	1300 Hanna Bldg., 1422 Euclid Ave.	J. O'Rourke, C.L.U., Branch Manager
COLUMBUS, OHIO, 43215	Room 300, 150 E. Broad St.	J. M. Foley, C.L.U., Branch Manager
DALLAS, TEXAS, 75204	Suite 350, 2731 Lemmon Ave. E.	W. O. Luse, C.L.U., Branch Manager
DAYTON, OHIO, 45402	Suite 1212, Grant Deneau Tower, 40 West Fourth St.	H. J. Brickler, Jr., C.L.U., Branch Manager
DEARBORN HTS., MICH., 48127	8283 North Telegraph Rd.	N. Polasky, Branch Manager
DENVER, COLO., 80202	Suite 900, First National Bank Bldg., 621-17th St.	J. M. Dowd, Branch Manager
DES MOINES, IOWA, 50309	4th Floor, 317-6th Avenue	T. W. Stead, Branch Manager
ENCINO, CALIF., 91316	Suite 900, 16055 Ventura Blvd.	J. T. Dunn, C.L.U., Branch Manager
FLINT, MICH., 48502	Suite 305, 120 W. First St.	L. F. Kress, Jr., Branch Manager
GRAND RAPIDS, MICH., 49502	Suite 409A, Waters Bldg., 161 Ottawa St. N.W.	J. H. Forshar, C.L.U., Branch Manager
HARTFORD, CONN., 06105	170 Sigourney St.	H. F. Burr, Jr., Branch Manager
HONOLULU, HAWAII, 96814	Suite 201, 1210 Auahi St.	D. P. Desonier, C.L.U., Branch Manager
HOUSTON, TEXAS, 77002	Suite 1010, 2100 Travis St.	E. E. Clark, C.L.U., Branch Manager
INDIANAPOLIS, IND., 46205	2021 E. 52nd St.	Elton H. Brooks, C.L.U., Branch Manager
KANSAS CITY, MO., 64199	Suite 2400, Commerce Tower, 911 Main St.	E. W. Locklear, Branch Manager
LOS ANGELES, CALIF., 90005	630 South Shatto Pl.	G. N. Quigley, Jr., C.L.U., Branch Manager
MIAMI, FLA., 33131	11th Floor, 1111 South Bayshore Dr.	W. C. Pichler, C.L.U., Branch Manager
MILLBURN, N.J., 07041	288 Main St.	W. Q. Meeker, C.L.U., Branch Manager
MILWAUKEE, WIS., 53202	Suite 726, First Wisconsin National Bank Bldg., 735 North Water St.	F. M. Spencer, III, C.L.U., Branch Manager
MINNEAPOLIS, MINN., 55435	Suite 178, 6800 France Avenue South	Donald L. Bennett, C.L.U., Branch Manager
OKLAHOMA CITY, OKLA., 73106	2000 Classen Blvd.	D. D. Drashner, Branch Manager
OMAHA, NEB., 68114	Insurance Exchange Bldg., Box 14234, West Omaha Station	R. P. Outlaw, Branch Manager
PHILADELPHIA, PA., 19102	1007 Two Penn Center	L. V. Day, Jr., C.L.U., Branch Manager
PHOENIX, ARIZ., 85012	Suite 600, South Tower, Financial Center, 3443 North Central Ave.	R. W. Grange, C.L.U., Branch Manager
PITTSBURGH, PA., 15222	10th Floor, West Wing, Two Gateway Center	D. P. McMullen, C.L.U., Branch Manager
PORTLAND, ORE., 97232	Suite 106, Lloyd Plaza, 1425 N.E. Irving St.	G. R. Guest, C.L.U. (Can.), Branch Manager
RICHMOND, VA., 23219	Suite 928, 700 E. Main St.	J. R. Leininger, Branch Manager
SACRAMENTO, CALIF., 95825	Suite 360, Jamaica Plaza Office, 2233 Watt Ave.	B. F. Knott, Branch Manager
SAGINAW, MICH., 48603	Saginaw Office Plaza, 4855 State Rd.	W. J. Ennest, Branch Manager
SALT LAKE CITY, UTAH 84111	136 East South Temple	A. W. Hardy, Act. Branch Manager
SAN DIEGO, CALIF., 92101	303 "A" St. Suite 201	G. D. Driver, C.L.U., Branch Manager
SAN FRANCISCO, CALIF., 94111	10th Floor, 255 California St.	W. D. Oberholzer, Branch Manager

BRANCH OFFICES, AGENCIES AND SERVICE OFFICES *continued*

SANTA ANA, CALIF., 92706	2333 North Broadway, Suite 400	J. L. Nix, C.L.U., Branch Manager
SEATTLE, WASH., 98101	610 Skinner Bldg.	E. A. Nixon, C.L.U., Branch Manager
SOUTHFIELD, MICH., 48075	Imperial Office Plaza, 17220 West Eight Mile Rd.	R. Tebeau, Branch Manager
ST. LOUIS, MO., 63101	Suite 1014, Executive Office Bldg.	R. J. Dolan, Branch Manager
SPOKANE, WASH., 99201	Suite 110, W. 222 Mission Ave.	J. T. Dunn, C.L.U., Branch Manager
TOLEDO, OHIO, 43624	1718 Jefferson Ave.	L. Brown, III, Branch Manager
TROY, MICH., 48084	One Northfield Plaza, 1-75 At Crooks Rd.	T. A. Pickett, Jr., Branch Manager
TULSA, OKLA., 74103	1110 N.B.T. Bldg.	E. E. Manley, C.L.U., Branch Manager
WASHINGTON, D.C., 20036	Suite 410, 1140 Connecticut Ave. N.W.	J. P. White, Branch Manager

UNITED KINGDOM

CHIEF OFFICE	197 Knightsbridge, London S.W.7	A. J. Gale, F.I.A., General Manager
BELFAST BT2 8AA	Yorkshire House, 5 Linenhall St.	J. McC. Irwin, A.C.I.I., Branch Manager
BIRMINGHAM 5	Norfolk House, Smallbrook St., Ringway	L. R. B. Greengalgh, Branch Manager
BOURNEMOUTH BH1 3LF	Royal London House, 2 Christchurch Rd.	R. H. Shepard, Branch Manager
BRIGHTON BN1 6AF	157-159 Preston Rd.	D. N. Markham, Branch Manager
BRISTOL BS1 4BY	Bristol and West Bldg., Broad Quay	P. Markham, Branch Manager
CARDIFF	55/59 St. Mary Street	J. E. R. Battle, Branch Manager
GLASGOW C2	54 West Nile Street	C. D. N. Nicol, Branch Manager
HULL	Mail Bldgs., 74 Jameson Street	I. C. Smith, Branch Manager
IPSWICH	Midland House, Franciscan Way	L. G. Lee, Act., Branch Manager
LEEDS LS6 2 AD	8 Otley Rd., Headingley	A. Finnigan, Branch Manager
LEICESTER LE1 1HB	Halford House, Charles St.	D. R. Jennings, Branch Manager
LIVERPOOL L2 9TB	Castle Chambers, Castle St.	R. A. O'Driscoll, Branch Manager
LONDON:		
CITY	Moor House, London Wall, E.C.2	H. C. Ackroyd, A.C.I.I., Branch Manager
EALING	Paramount House, 71 Uxbridge Rd., Ealing, W5	M. F. Lutter, Branch Manager
ILFORD	350, Eastern Ave. Gants Hill, Essex	J. D. Dwyer, Acting Branch Manager
STREATHAM	Norwich House, 9-11 Streatham High Rd. S.W.16	R. B. Easton, A.C.I.I., Branch Manager
WEST END	Bush House, Aldwych W.C.2	I. S. Bull, Branch Manager
MANCHESTER M1 3LE	St. Andrew's House, 53 Portland St.	B. F. J. Beard, Branch Manager
NEWCASTLE NE3 4PF	Northern Rock House, Regent Farm Rd., Gosforth	J. Fletcher, Branch Manager
NOTTINGHAM NG1 6GG	Newton House, Maid Marion Way	A. Karp, Branch Manager
OXFORD	Mayfield House, 256 Bambury Rd., Summertown, Oxford	K. P. Charman, Acting Branch Manager
PLYMOUTH	Abbey House, 157-9 Armada Way	W. R. Bayliss, Branch Manager
READING RG1 4LJ	Norman House, 199 King's Rd.	J. D. M. Dalton, Branch Manager
SHEFFIELD S1 2EY	St. James House, Vicar Lane	J. B. H. Grundy, Branch Manager

SOUTH AFRICA

PRINCIPAL OFFICE	Medical Arts Bldg., Jeppe St. Johannesburg	W. C. Livingstone, General Manager
CAPE TOWN	6th Floor, Mobil House, Long St. and Hans Strydom Ave.	
DURBAN	West Walk Bldg., 390-392 Smith St.	Y. G. J. Dhalluin, Branch Manager
EAST LONDON	Southern House, 56 Terminus St.	K. H. Francis, Branch Manager
EAST RAND	3rd Floor, Protea House, Woburn Ave. & Rothsay St., Benoni	W. S. Wardill, District Manager
JOHANNESBURG	4th Floor, Glencairn, Market St. (Car. Eloff St.)	J. Venter, Branch Manager
PIETERMARITZBURG	N.B.S. Bldg., Ste. C, 3rd Floor, Timber St.	E. Crookson, Branch Manager
PORT ELIZABETH	8th Floor, Ford House, Main St.	P. B. Gaule, Branch Manager
PRETORIA	3rd Floor, Navarre Bldg., 231 Pretorius St. E.	R. C. Taylor, Branch Manager
		M. Haddad, Branch Manager

FIELDS ABROAD

HONG KONG	P.O. Box 201	D. A. C. T. Hancock, Branch Manager
ISRAEL	Chief Office, 7-9 Achad Haam Street, Tel-Aviv. Haifa: Beit Rassco, 53 Hamegenim Jerusalem: 10 Ben Yehuda Street	Mrs. M. Benzimra, Manager for Israel
PHILIPPINES	P.O. Box 2290, Central Post Office, Manila Cebu City, Room 207, Goodrich Bldg., Legazpi St.	F. J. Banda, District Manager
		R. J. Morris, Manager for the Philippines
		V. R. Macariola, District Manager

WEST INDIES

BARBADOS AND THE ISLANDS	Canadian Imperial Bank of Commerce Bldg. Broad St., P.O. Box 144, Bridgetown	Peter de Verteille, Branch Manager
BERMUDA	Suite 205, International Centre, P.O. Box 1259, Hamilton	
CURACAO	P.O. Box 228, Curacao, N.A.	R. A. D. Pengelly, District Manager
JAMAICA	34 Duke St., Kingston	Morris E. Curiel & Sons, Incorporated
PUERTO RICO, 00919	Suite 1025, The Chase Manhattan Bank Bldg.	O. E. Jones, C.L.U., Branch Manager
SURINAM	P.O. Box 1392, Watermolenstraat 43, Paramaribo	F. Collazo Lopey, Branch Manager
		A. Hermelijn, Branch Manager

SERVICE OFFICES

CEYLON	c/o Messrs. Carson Cumberbatch & Co. Ltd., P.O. Box 24, Colombo, Ceylon	Agents
CUBA	Apartado 961, Havana 1	J. Varela, Acting Branch Manager
CYPRUS	2nd Floor, 6 Pantheon Bldg., 40 Evagoras Ave., Nicosia	J. T. Hannush, Resident Manager
EGYPT	20 Sharia Adley Pacha, Cairo	
HAITI	Rue Ferou, Port au Prince	Phipps & Co., Management Agent
RHODESIA	7th Floor, Chancellor House, Jameson Ave., Salisbury	D. Findlater, Secretary for Rhodesia
SOUTH-EASTERN ASIA	Singapore, P.O. Box 377	

MORTGAGE AND REAL ESTATE DEPARTMENT

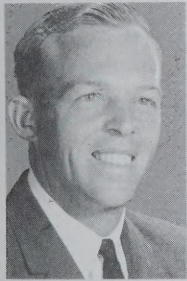
CALGARY, ALTA.	1290 Calgary House, 550-6th Ave. S.W.	D. J. Schweitzer, Manager
EDMONTON, ALTA.	1320 Royal Bank Bldg., 10117 Jasper Ave.	B. K. French, Manager
HALIFAX, N.S.	615 Duke Tower, Scotia Square, 5251 Duke St.	B. A. Hurley, Manager
MONTREAL 101, QUE.	Ste. 801, 612 St. James St. W.	T. M. Thomas, Superintendent for Quebec
OTTAWA, ONT.	Ste. 613, Burnside Bldg., 151 Slater St.	L. V. McPherson, Manager
TORONTO 110, ONT.	Ste. 1220, 120 Adelaide St. W.	J. E. Paton, Superintendent for Ontario
VANCOUVER 1, B.C.	1415, Two Bentall Centre, 555 Burrard St.	H. M. Ballard, Superintendent for Western Canada
WINNIPEG 1, MAN.	Room 1009, 220 Portage Ave.	T. A. McFarlen, Manager
UNITED KINGDOM	197 Knightsbridge, London S.W. 7	B. J. Wootton, Property Manager
JAMAICA	2nd Floor, 34 Duke St., Kingston	P. D. Luke, Investment Manager

LEADERS GROUP

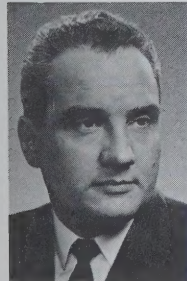
The 25 leading Life Underwriters in the world-wide Manufacturers Life organization qualify for membership in the Leaders Group. Pictures of the members of the Leaders Group at the end of 1970 are shown inside this cover. Qualification for the Leaders Group is a notable achievement as the Company's Field Force around the world numbers over 1300.



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Newark



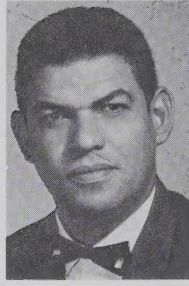
G. F. SUMA
Toronto Bay



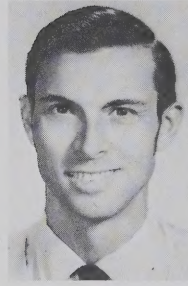
G. TURNBULL
Pretoria



M. E. ROSENBERG
Miami



K. K. PHILLIBERT
Jamaica



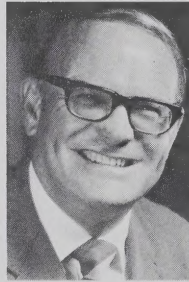
I. V. BROOKE
Hong Kong



N. L. MOTWANI
Hong Kong



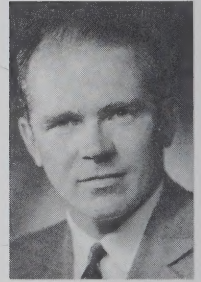
W. J. SCARLETT, III, CLU
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D. K. DOMBEY
Phoenix



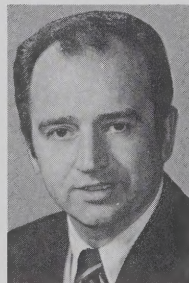
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Toronto Central



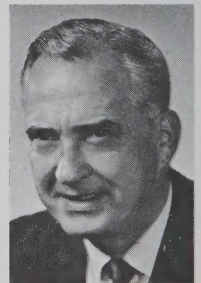
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Edmonton



F. B. BUCHANAN
Hartford



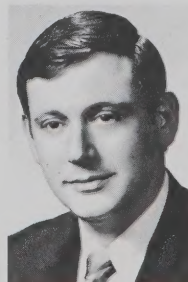
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U.S. General



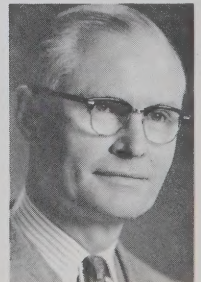
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Philadelphia



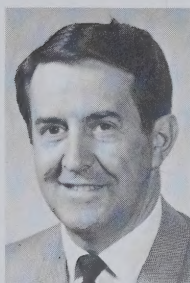
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Dearborn Heights



J. H. PETERS, CLU
Toronto York



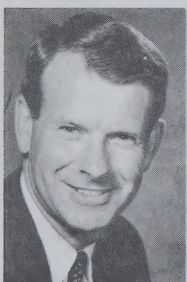
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Detroit Uptown



D. F. BURNHAM
Grand Rapids



L. H. PARKER, CLU
Orange County



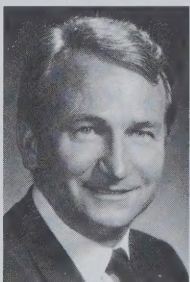
J. E. GILLESPIE
Toronto Bay



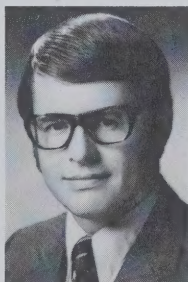
J. A. BOWDEN, CLU
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